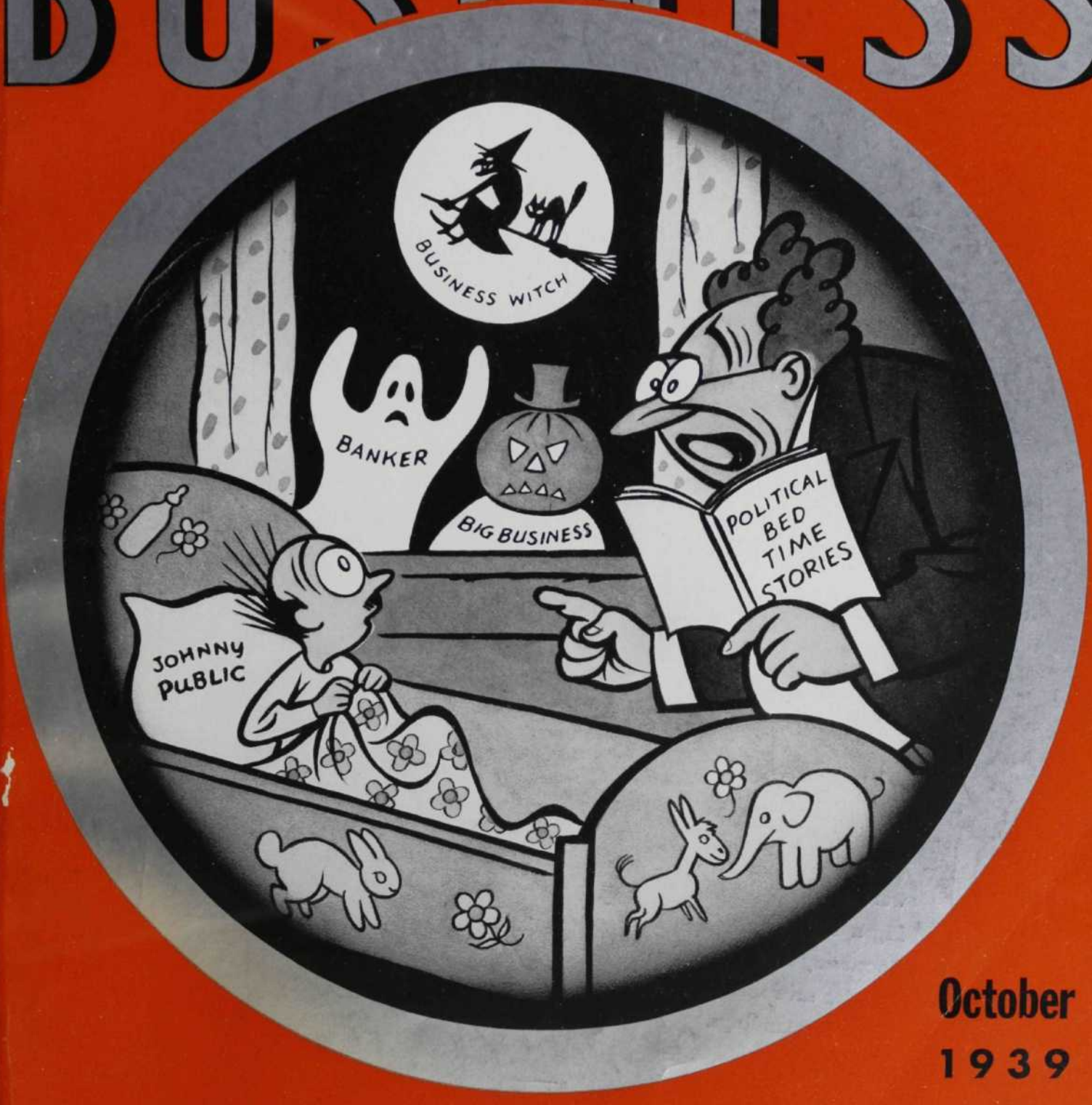
NATION'S BUSINESS



October
1939

The Wagner Act "Helps" Settle a Strike • New Government Hurdles for Business • The "Ism" America Wants • Money Has Wings



Companies of every sort and size use BELL SYSTEM TELETYPEWRITER SERVICE

The advantages of teletypewriter service are as varied as business itself. In flashing specifications to a milling plant . . . speeding orders between branches of a brokerage house . . . rushing shipments from warehouse to outlet . . . and serving a legion of other needs, the accuracy and speed of typing by wire save minutes, money and misunderstandings.

A national Teletypewriter Directory lists thousands of businesses that use this service. Teletypewriter Exchange Service may prove practical and profitable for your business. A Bell System representative will gladly help you analyze your present communication set-up. No obligation. Call him through your nearest telephone office.

YOU NEVER SAW SUCH STYLE AND ROOM IN ANY LOW-PRICED CAR



And never such luxury! The 1940 Plymouth is the low-priced beauty with the Luxury Ride! New Sealed Beam Headlights give 50-65% more road lighting... rear doors are full width at the bottom...Steering Post Gear Shift is now standard equipment on all models!

NEW LUXURY—NEW QUALITY—sensational new *value* stand out in every detail of the 1940 Plymouth! Notice the new *spaciousness*...the greater visibility. Enjoy the luxurious "feel" of the big Floating Power engine—*Superfinished* in vital parts for long-life smoothness! Oil filter standard on all models.

Shifting is a luxury, too...much easier. And the big, precision-type hydraulic brakes have *Superfinished* drums.

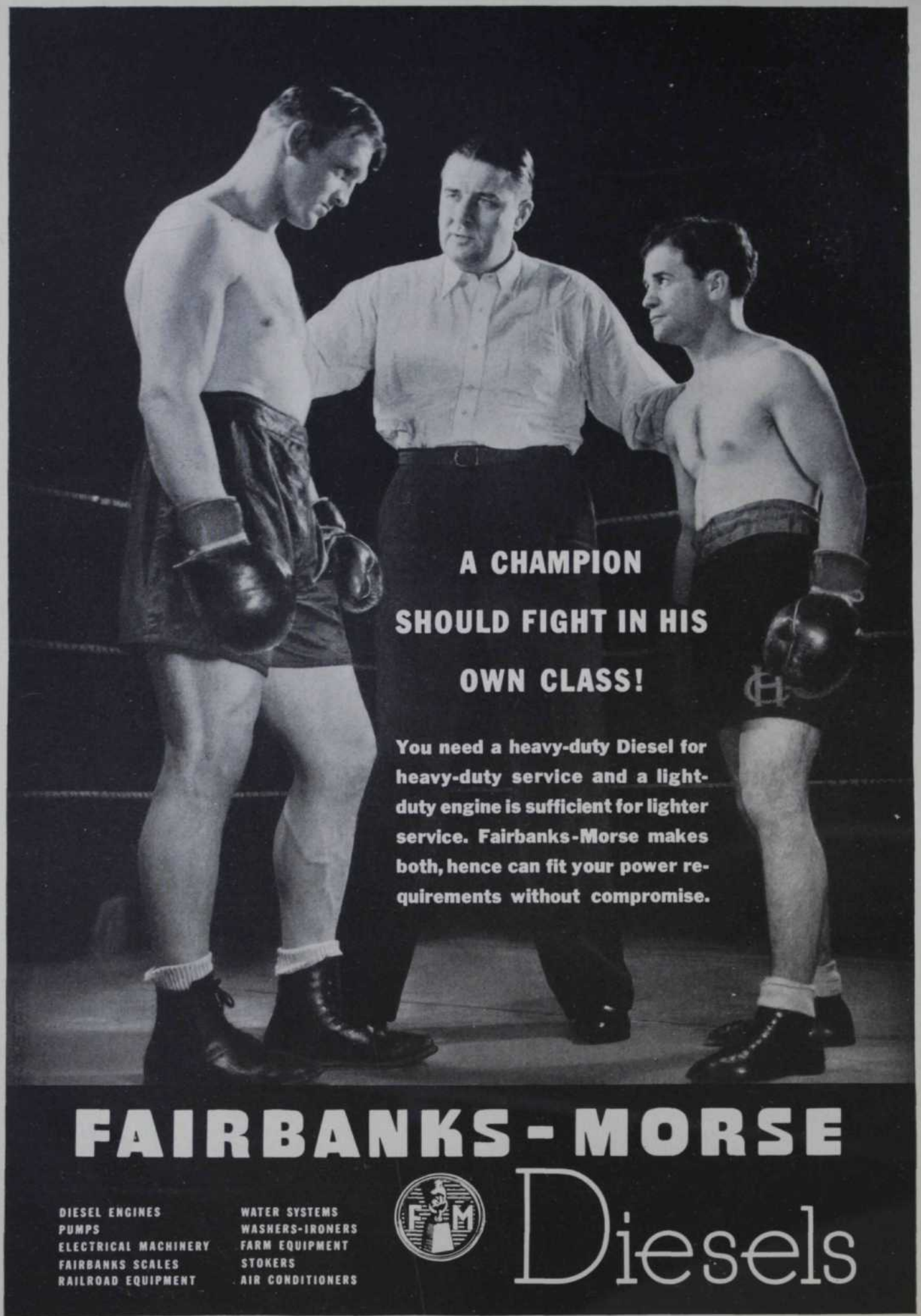
This luxurious 1940 Plymouth is the all-time high in value. Above all else, *don't miss* Plymouth's *Luxury Ride!*

MAJOR BOWES' AMATEUR HOUR, C.B.S. NETWORK, THURS., 9-10 P.M., E.S.T.

THE LOW-PRICED BEAUTY with THE LUXURY RIDE

1940 PLYMOUTH!

Nation's Business is published on the 30th of every month by the Chamber of Commerce of the United States. Publication Office, Washington, D. C. Editorial, Advertising and Circulation Offices, 1615 H Street, N. W., Washington, D. C. Subscription price $3.00 one year; $7.50 three years; 25 cents a copy. Entered as second-class matter March 20, 1920 at the Post Office at Washington, D. C., additional entry at Greenwich, Conn., under the Act of March 3, 1879.


A CHAMPION
SHOULD FIGHT IN HIS
OWN CLASS!
You need a heavy-duty Diesel for heavy-duty service and a light-duty engine is sufficient for lighter service. Fairbanks-Morse makes both, hence can fit your power requirements without compromise.
FAIRBANKS-MORSE
DIESEL ENGINES
PUMPS
ELECTRICAL MACHINERY
FAIRBANKS SCALES
RAILROAD EQUIPMENT
WATER SYSTEMS
WASHERS-IRONERS
FARM EQUIPMENT
STOKERS
AIR CONDITIONERS
Diesels



IT IS generally recognized that America can have a sound recovery only when there is a restoration of volume in the durable goods industries.

And the American railroads, among all forms of transportation, are normally the biggest customer of the durable goods industries.

In the eight-year period from 1923 through 1930, for instance, the total purchases by the railroads of materials used in improving plant and equipment amounted to 6¾ billion dollars. This is apart from 11 billion paid out in the same period for *expendable* supplies, including everything from coal to paper clips.

In the eight-year period from 1931 through 1938, the total purchases by the railroads of materials used in improving plant and equipment totaled 2 billion, and purchases of expendable supplies totaled only 5 billion.

That these figures were not greater traces only to one basic fact—*railroad earnings have been so low the money has not been there to spend.*

Certainly the railroads recognize the value of continued improvement of their equipment. A program of replacing freight cars at the rate of 5 per cent a year would require some $300,000,000. A similar program of replacing locomotives could account for another $300,000,000. A continuation of the program of laying heavier rails, providing steadily better roadways needed for increased speed and better service, could bring the total to nearly a billion.

A billion in heavy industry would lay a foundation for recovery such as this country has not had for a decade.

And in this fact is one reason why businessmen, large and small, have an interest in seeing the railroads get a fair deal *not only in government regulation but from business itself.*

On a short range view—on a day-to-day transportation-buying basis—it may seem expedient to some to foster government-subsidized inland waterways or other carriers.

On a long range view, the industry in the country that needs support—deserves support—and can make the biggest contribution to sound recovery—is the nation's biggest transportation system, the privately owned railroads.

Paraphrasing a familiar slogan, "What helps the railroads helps you."

ASSOCIATION OF
AMERICAN RAILROADS
WASHINGTON, D. C.

A FAIR FIELD—NO GOVERNMENT FAVOR—IN TRANSPORTATION

Keep two moves ahead
OF YOUR COMPETITION!



DISTINCTIVE STYLING is achieved in this household ice crusher by forming the ice-cup of colorful Bakelite Molded.

TRANSPARENCY OF AMBER at mass-production prices. Gem-like cigarette humidor made from Transparent Phenolic Bakelite Molded.

INHERENT COLOR strength and moisture-resistance are incorporated in this siphon head by forming it from Bakelite Molded.

SIMPLIFIED PRODUCTION of this colorful display stand is obtained by one-piece molding from durable Bakelite Phenolic material.

HEAT-RESISTANCE for the handle of this smart electric iron is gained by making it from lustrous Bakelite Molded.

Increase the Style-appeal of Your Products ... hold Prices to Popular Lows by applying BAKELITE PLASTICS in Design

PRODUCTS GAIN a dual advantage over competitive merchandise when you give them the sales asset of up-to-date design with Bakelite plastics. New life and color in their styling... short-cuts in production that permit favorable pricing . . . both of these are common results of employing materials from the wide variety available at Bakelite Plastics Headquarters.

Read what four typical users say after applying Bakelite materials to their product designs:

Kilgore Mfg. Co., states: "As a result of applying Bakelite Cellulose-Acetate to mold toys, we have developed various specialties which never could have been developed if we had not changed to this attractive, light-weight, durable material."

Baker Oil Tools, Inc., say: "The quality of our Floating Equipment is improved by the uniformity of its Bakelite Molded parts. The speed and ease with which they are molded facilitate production."

Zenith Radio Corp. comments, "The use of Bakelite Molded is a 'natural' for the smaller compact radio cabinets. Choice and beauty of color, economy, and flexibility of design . . . all these are much more easily achieved than with traditional materials formerly used."

Pathegrams, Inc. give as the results of completely molding their film-viewer from Bakelite Molded: "Saved about 25% in production costs. Sold over 400,000 in first month. Shipping 5000 a day to World's Fair grounds."

These and hundreds of other profitable applications of Bakelite plastics indicate how you also may win dominance in your market with these versatile materials. Write for booklet 1, "New Paths to Profits" . . . a quick, clear guide to plastics as sales stimulants.

Bakelite Corporation, 247 Park Ave., New York

BAKELITE

PLASTICS HEADQUARTERS



Get this Plastics Guidebook!

For the first time, here is a terse, non-technical booklet that gives the A-B-C's of plastic materials in simple, understandable terms . . . what the various plastics are . . . why so many types are used . . . how they are fabricated . . . where and when they offer special advantages . . . and how they are revolutionizing product design to increase sales and cut costs.

Your product designer, too, will find useful information in this booklet. Write *today* for your copy of "New Paths to Profits", and give names of others in your company who should receive copies.

Visit the Bakelite Exhibit, Hall of Industrial Science, N. Y. World's Fair 1939

Shake Hands with Our Contributors

EVERY employer of labor is directly concerned with the operations and decisions of the National Labor Relations Board. Its activities and their resultant effects on business organizations aroused employers to such an extent that their protests were heard in Congress which ordered an investigation of the Board's activities.

In this issue **Harold Wadely,** president of the Firth Carpet Company with manufacturing plants in Auburn, Newburgh and Firthcliffe (a section of Cornwall) New York, shows why some business men are confronted with a situation that slows up production and prevents increased employment. The editors of this magazine believe that this is a good example of the confusion and misunderstanding existing between government and private enterprise that ought to be cleared up in the national interest.

Paul W. Kearney is one of the best known writers in America on the subject of fire prevention. His work on this subject brought him recognition in the form of honorary membership in the Fire Chiefs' Association. In this issue he tells how to act quickly and intelligently if you happen to be the discoverer of a fire.

Russell L. Greenman, formerly a member of the staff of the U. S. Chamber of Commerce and now a consultant on problems of management, says that the most prolific law-givers in Washington are not Congressmen and Senators, but the various boards, commissions and bureaus which put the statutes into practice. It isn't much help to know what the law was yesterday—it may have been changed by some administrative tribunal within the last 24 hours.

Fred B. Barton discovered that religion is not as quiescent among business men as many of their critics would have us believe. He tells how George Eastman, a former president of the Los Angeles Chamber of Commerce and proprietor of the Security Materials Company, turns prayer to account in his business and gets unusual cooperation from his employees in carrying out his ideas.

James A. Worsham is an advertising and selling consultant, a lecturer on psychological and business subjects, and author of the book, "Low Pressure Selling."

J. Gilbert Hill is on the staff of the Oklahoma Publishing Company of Oklahoma City and a frequent contributor to NATION'S BUSINESS.

Richard Cole is vice president of the Earl Allen Advertising Company of Omaha and collaborated with C. J. Claassen in the publication of the book, "Making Farms Pay."

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NATION'S BUSINESS • CHAMBER OF COMMERCE OF THE U. S.

VOLUME 27 **Merle Thorpe, Editor & Publisher** NUMBER 10

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GENERAL OFFICE—Washington, U. S. Chamber Building. BRANCH OFFICES—*New York,* Graybar Bldg.; *San Francisco,* 433 California Street; *Dallas,* 1101 Commerce St.; *Chicago,* First National Bank Building; *Atlanta,* Chamber of Commerce Building. As the official magazine of the Chamber of Commerce of the United States this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers.

BUSINESS DEPENDS ON MONROE FOR FIGURES

You can depend on Monroe for both general and special types of business figure work. There are over 200 different Monroe models for calculating, adding, accounting, and bookkeeping. And you can count on Monroe simplicity and "Velvet Touch" ease of operation to take the strain from your figure workers, to speed up figures, and cut your figuring costs.



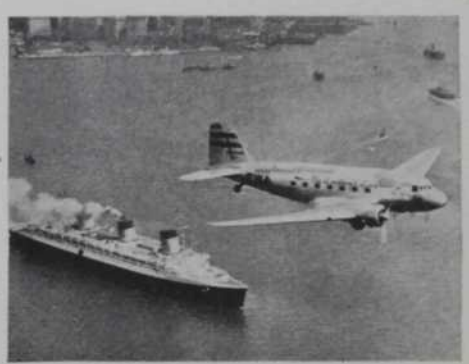
PIPE . . U. S. Pipe & Foundry Co. have been Monroe users for 17 years—at their general offices and their plants, Monroe calculators, accounting and bookkeeping machines are cutting their figure costs and lightening the load of their figure workers.



RUGS . . The Firth Carpet Co., known for high style rugs and carpets, depends on Monroes for factory and sales office figures. They use different Monroe models for the varied figure work entailed in manufacturing a wide group of floor coverings for national distribution.



PEANUTS . . Planters Nut & Chocolate Co. have used Monroe adding-calculators for years where the peanuts are grown in Virginia, and at offices in Wilkes-Barre and San Francisco.



INSTRUMENTS . . In the air or afloat, planes and ships count on Sperry Gyroscope Co. for accurate instruments—and Sperry counts on Monroes, both adding-calculators and adding-listing machines, for accurate and dependable figures.



VELVET TOUCH . . There is a Monroe for every kind of figure work. The Adding-Listing Machine shown is desk-size, with "Velvet Touch" keyboard, direct plus and minus bars, and live operating keys. Simple, speedy, sturdy, and versatile.

A MONROE FOR EVERY FIGURE JOB

ADDING-CALCULATORS
LISTING MACHINES
BOOKKEEPING MACHINES
CHECK WRITERS
CHECK SIGNERS

MONROE

CALCULATING MACHINE COMPANY, INC.

GENERAL OFFICES • ORANGE, N.J.

Monroe Calculating Machine Company, Inc.
General Offices, Orange, New Jersey

Please send me literature about Monroe Adding-Listing and Accounting Machines.

Name.....

Firm.....

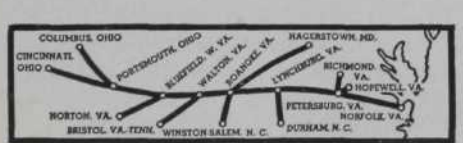
Address.....

MORE THAN 150 MONROE-OWNED BRANCHES SERVE AMERICAN BUSINESS



ON EFFICIENT SERVICE

Put in your bid for those rush orders that demand fast service and immediate delivery! Then ship via Precision Transportation—the Norfolk and Western Railway's unexcelled freight service between the Midwest and the Virginias and Carolinas and between the North and South—not merely to meet the deadline but to beat it! You will find the Norfolk and Western service well planned and coordinated to render every assistance in the prompt dispatch, rapid transit, and safe delivery of your shipments. Make your bid for satisfied customers now by getting acquainted with this modern transportation service. Call or write any representative of the railway's Freight Traffic Department for complete information regarding rates, routes and schedules . . . and for assistance in the solution of any shipping problem.



NORFOLK AND WESTERN Railway

PRECISION TRANSPORTATION

Through the EDITOR'S SPECS

Socking a fallacy

JUST 25 years ago NATION'S BUSINESS said editorially:

> There will be no exultation in the United States over national advantages in broadened export fields or over insistent demands for our foodstuffs, due to the unfortunate situation of our competitors.

The President in his Sunday night radio talk indicated a fear that business men would start a wave of profiteering. When people fear profiteering they immediately buy unnecessarily and thus bring about the very increase in prices they fear.

More to the heart of the matter was a page announcement in the Washington, D. C., *Star* by the general manager of the Giant Food Shopping Center, of Washington, D.C. He pasted the fallacy on the nose. He did not merely deplore a situation whereby his customers were buying sugar in 100-pound lots. He was realistic and had the courage to tell his customers where to place the blame. He said:

> Mr. and Mrs. Food Buyer:
> We take this opportunity humbly to offer you a word of advice relative to your purchasing of food at this time. Don't be caught in the panicky hysteria that many would create—that there is going to be a shortage of certain foods in America. Sensational price increases in foods, in a neutral country such as ours, are for the most part the direct result of a desire on the part of the buying public to hoard food. There is nothing that so tends to increase your food prices rapidly, as having those more able financially than some of us "lay-in" more food than their present needs. There is no shortage of food in this great country of ours, nor is there any immediate danger of a food shortage. Buy as you have been buying and if the majority makes this a hard and fast rule—your food prices should remain at customary levels.

"Frontiers gone." Yeah?

IF YOU chance to be in a ho-hum! frame of mind about your business or your job, consider the case of that butcher in Pomona, Calif., who discovered the new chip steak idea that's "wowing" some sections of the country like the latest dance step.

According to Clementine Paddleford, authority on comestibles, it was really a happenstance. This man owned a small meat market and big-time opportunity seemed a far-away mirage to him. Until one night he had refrigerator trouble and froze some of his meat solid. Trying to find a way to cut a chunk of boned round steak, he put it into an electric slicing machine. The slices were so thin that he placed them in stacks of six in order to get sufficient thickness for steaks. Customers who took the chip steaks off his hands were delighted with them.

You can guess the rest. The idea took in a big way. A promoter was found for a plant to process chip steaks in quantities. Many other plants followed. That was two years ago. Now the Pomona butcher, author of his own Townsend plan, can sit in secure leisure on his front porch and watch the mad world go by.

Labyrinths of justice

IN THE August issue we listed the 51 federal agencies with executive and judicial powers created since 1932. It almost seems to exhaust the choice of three-letter combinations of the alphabet. But "the quickening pace of political control" goes far beyond the scope indicated by that list.

The citizen who comes to Washington to crave justice from his government finds there are 112 adjudicatory authorities ranging from the Board of Discipline in the Patent Office to the Appeal Inspectors for Dressed Poultry and Rabbits. If he is a druggist charged with selling a weak solution of potato bug spray he may present his case to the Food and Drug Administration from whose decision to prosecute there is no appeal. If he is a farmer objecting to having his corn quota cut from 60 acres to 30 acres he may first have it reviewed by a local committee and then if dissatisfied with the decision may file a bill of equity in a federal district court. If he is a tailor and has been ordered by the Federal Trade Commission to cease and desist from advertising suits as "woolen" when in fact they have only 90 per cent wool fabric he may ask for a review of the order in a circuit court of appeals.

It looks like a harvest for lawyers,



"I TOLD you, Mary, that's our new water main and it's cast iron pipe. That means it won't have to be dug up and replaced for centuries. But *we don't have to wait* to get the benefit of tax-saving cast iron pipe. There are hundreds of miles of cast iron water mains in this city that were installed before we were born, and our taxes are lower because those mains have not had to be replaced."

* * *

Water mains represent about one-third of this country's 5-billion-dollar investment in public water supply systems. More than 98% of these mains are cast iron pipe with a *known* useful life at least double the *estimated* life of other water main materials. Because the tax-saving, through deferred replacements alone, is enormous, cast iron pipe is known as Public Tax Saver No. 1. It is the only ferrous metal pipe, practicable for water, gas and sewer mains, which rust does not destroy. Made in diameters from 1¼ to 84 inches.



Unretouched photo of a cast iron water main installed 109 years ago and still saving tax-dollars for the citizens of Richmond, Va.

CAST IRON PIPE
PUBLIC TAX SAVER NO. 1

THE CAST IRON PIPE RESEARCH ASS'N, T. F. WOLFE, RESEARCH ENGINEER, PEOPLES GAS BLDG., CHICAGO

but in truth they don't welcome this rain of administrative law, because even the best lawyer confesses his inability to find his way in this new maze of inquisitors, regulators and adjudicators. He has no chart or compass. His Blackstone and Revised Statutes are obsolete.

Doings of the Dictocrats

SOME ONE of the score of young men and ladies in the Federal Trade Commission, whose job is to read the newspapers, found the manufacturers of granite tombstones were misleading their customers by calling granite "everlasting."

Some day they will rule that an affidavit must accompany a can of milk from contented cows to the effect that no single cow is discontented. They have ordered a manufacturer to mark his fabrics rayon because they look so much like silk.

Saint Paul on the relief question

LAST month we invoked John Smith of Jamestown in answer to an indignant New Jersey reliefer with constitutional objections to working for his living. A reader, R. D. Gage of Port Gibson, Miss., points out that we might have cited a far older and more venerated authority—none other than Saint Paul—who wrote in Second Thessalonians:

> This we commanded you, that if any should not work neither should he eat.

But a citation from Marx would win more credence from the present generation.

Every man a salesman

YOUNG men and women—and some of the older heads, too—are studying the technique of getting a job as they never have before. It is one form of salesmanship that commands universal attention, and no little ingenuity is being devoted to it.

One young fellow edited and published a small magazine all about himself, his qualifications and aspirations, and sent it to a large list of employers. The stunt landed him in a regular post right away.

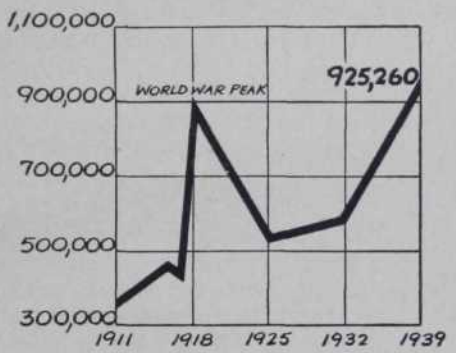
Out in San Francisco George Keith, an employment counsellor, advises those who come to him to use a job-seeking business card and a "job-finder" or printed circular with all the essential facts about the applicant's record and qualifications. At the close of a job-seeking interview the self-salesman leaves this "sales literature" to reinforce his word-of-mouth plea.

Mr. Keith tells us that for every job advertised in the "Help Wanted" columns of the press there are 19 hidden

opportunities that can be unearthed only by personal selling. In any given day he says there will be somewhere between 20,000 and 45,000 jobs advertised. According to his formula that would mean a day-to-day demand for man- and woman-power in the whole country ranging from 380,000 to 855,000. It would be interesting to know how long some of these opportunities remain open before the right person comes along.

Bureaucracy moves ahead

EMPLOYMENT in the executive departments of the federal Government, excluding legislative and judiciary, and army and navy, increased between May and June by 22,000. It then stood at 925,260, highest point in the country's history, not even excluding the war peak of 1918.

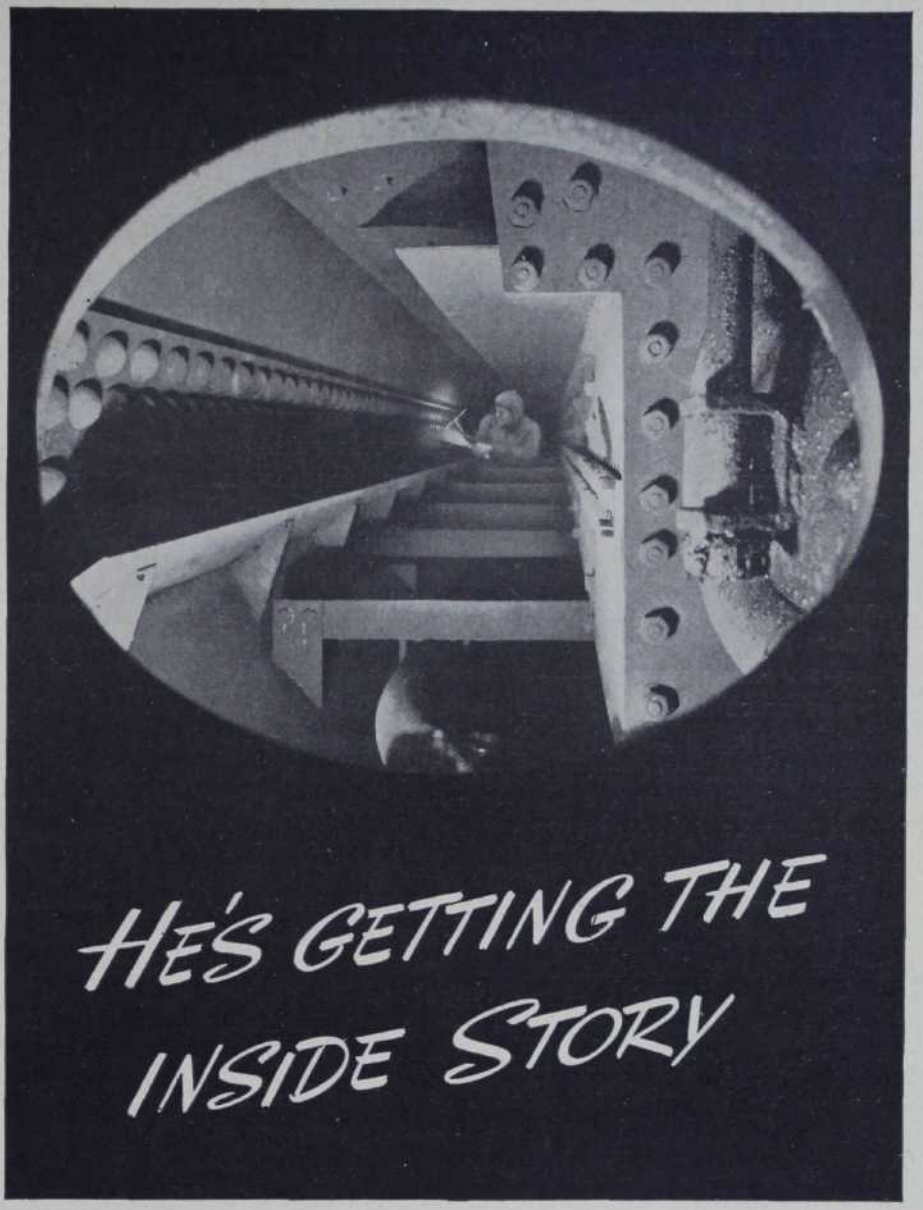


This is only a part of the story of the great peace-time mobilization of government servants. Latest available figures show a total of 3,764,000 persons on government pay rolls, federal, state and local, but not including relief workers, or their administrators, or lawyers on *per diem* basis. Their dependents swell this army to about 15,000,000. If we add a host of nearly 22,000,000, one-sixth of the population, now on relief of one form or another, we have a grand total of some 37,000,000 persons owing their support directly to tax-maintained government.

The remaining 23,000,000 families work to support themselves and more than 9,000,000 non-productive families dependent on government. Every head of a family in private enterprise thus has the responsibility not only for his own household but for nearly two other persons. This is half of a second household. He carries his own normal burden and that of two "government" relations who are looking to him every week for their sustenance. This approaches pure socialism.

Dr. Jekyll and Mrs. Hyde

A WASHINGTON woman has received 22 tickets in the past two years for parking illegally—and boasts of it. She told the judge that paying fines is



CRAMPED for space, half stifled by the fierce heat lingering within the drum of this colossal power boiler, the inspector crouches at his task. Refusal to trust surface appearances has taken him into this "tight spot." His skeptical scrutiny is typical of his organization—Hartford Steam Boiler.

For this oldest American engineering insurance company, in its efforts to exile breakdown and explosion from boiler-room and engine-room, *nothing but the inside story will suffice!* This tradition of thoroughness animates Hartford's every department alike: field force over 400 strong . . . home-office supervisory staff . . . research division . . . feed-water laboratory. Their job is to find and weigh significant symptoms.

Such able vigilance forms one reason among many why industry turns to Hartford to safeguard a preponderant part of its insured power equipment and to shop-inspect 90% of all power boilers during fabrication.

Hartford Steam Boiler has spent 72 years at the single task of inspecting and protecting power equipment.

Your agent or broker can tell you why Hartford is known today as "power's godfather."

THE HARTFORD STEAM BOILER INSPECTION AND INSURANCE COMPANY HARTFORD, CONNECTICUT

How an industry *lifted* itself by its own bootstraps



TIMES were pretty black in the furniture business five years ago.

Two things stood in the way of sales:

Inexpensive furniture was ugly, ill-designed. The trade called it "borax"—and the public didn't want it.

Good furniture was expensive—and the public couldn't buy it.

But instead of waiting for business to pick up—enterprising furniture manufacturers decided to *pick* it up!

The first thing they did was to discard their "borax" point of view.

Next, they set about redesigning their lines to put good taste into mass-production furniture.

They called in decorators and designers—good ones—and gave them free rein.

Then, they tempered these new designs to the needs of practical furniture manufacturing and selling.

Not only the lines, but also the construction and the materials of this new furniture were planned to give good taste and better service at lower cost.

Collins & Aikman Corporation was given the task, by many leading manufacturers, of creating the new upholstery fabrics needed. New yarns, new patterns, new weaves, even new dyes were produced to combine the maximum of good appearance, long wear, and easy cleanability with the minimum of price.

Soon, good furniture in period designs, in classical, in modern, even in antique motifs, began to appear—at prices the public could afford to pay. Department and furniture stores unstintingly offered their customers the advice of skilled decorators.

The public began to buy again—with the result that now, after only five years, the furniture industry again finds itself standing upright instead of flat on its back!

And, into the bargain, this industry can well take credit for having given America its first period of mass good taste in machine-made furniture.

★ ★ ★ ★

COLLINS & AIKMAN CORPORATION

200 Madison Avenue, New York City

cheaper than parking lot fees. Then, in a burst of frankness she confided that her system of parking anywhere and trusting not to be caught too often costs on the average less than $1 a week. Parking lot fees would be about twice that much.

We were diverted by this case because the lady happens to be connected with the Social Security Board, an arm of the law-enforcing Executive Department of the federal Government. In this case sauce for the gander is not sauce for the goose.

A case for the F.T.C.

WESTFIELD, Conn., citizens are trying to figure it out. They received the huge, vari-colored map from the P.W.A., which blatantly announces how it is "building the nation." They rubbed their eyes when they noted the photograph of "a P.W.A. project" in Westfield as that of the Westfield High School, which was constructed in 1929-30 by means of a local bond issue, several years before the alphabetical agencies were dreamed of.

Evidently the P.W.A. has obtained the services of the old Tugwell Resettlement photographer who dragged a skull over the western prairies. Here's a hot tip for the boys in the Federal Trade Commission detailed to read the newspapers for "misleading aids to beauty" advertisements.

Straws in the wind

SECRETARY Wallace has ordered that all milk sold by producers in the Kansas City area be reduced in price from $2.40 to $2.20 a hundredweight.

Fifty-five per cent of the residents on a street in Marion, O., marked off by Federal Housing men as a slum area were found to be home owners.

Only two out of 45 tenants in two low-rent federal housing projects in Buffalo are from former slum areas.

The Federal Surplus Commodities Corporation announces that in cooperation with the W.P.A. it gave free lunches during the last school term to 800,000 school children in the United States, Puerto Rico and the Virgin Islands.

Inland Steel Co. asserts that its shorthand reporter was forcibly ejected from a N.L.R.B. hearing by order of the trial examiner, and that later the trial examiner colored the trial record to support his preconceived decision.

An employer who gave a picnic for his employees was apprised afterward that this is a paternalistic practice subtly undermining the bargaining rights of the workers and therefore likely to involve him with the Labor Board. He promised to be more circumspect in the future.

California has moved to establish a system of state-supported cooperatives to be run by and for reliefers.

Virginia C.C.C. men who went on strike were disciplined by 30 days' confinement in their camp and the discharge of the strike instigator. Neither the Senate Civil Liberties Committee nor the American Civil Liberties Union has yet acted.

Four-square statesmanship

THE Honorable Ernest Lundeen, Senator from Minnesota, modestly and courageously commends himself to posterity through the *Congressional Record:*

> I wish to make reference to three speeches of mine on the W.P.A. and labor questions, all reported in the *Congressional Record.* On April 8, this year, I held the floor for more than four hours pleading the cause of labor against wage cuts and poverty. In the midst of untold wealth produced by our workers, labor starves. I demand a just share of that wealth for the men and women of America.

There is the Senator's position, even if it should defeat him for reelection.

More gumshoers

THE Wage-Hour Administration boasts a force of 410 inspectors or investigators which it is hoped to increase to at least 500. This is more than half as many as the 800 G-men in J. Edgar Hoover's F.B.I., but, as Assistant Attorney General Jackson says, "you can't police America with a corporal's guard."

These wage-hour investigators are in charge of a military chief, Major Fletcher. He has been putting them through a special training school aimed, he says, at turning out "hard boiled diplomats" who will be "firm" with business and quick on the trigger. Their duties are to ferret out telltale evidence and get their men.

General diagnosis

A BUSINESS man from the Middle West, who had been in Washington for ten days trying to find out if certain of his employees came under the Social Security Act, whether Wages and Hours applied to another group, and if the label on his package was okay with the Agricultural Department, dropped in to say goodbye on his way to the train.

"Well, how did things go?"

"Not so good, not so good!"

"What was the trouble? Did the hot weather bother you?"

"No, it was not the heat. It was the humility."

THIS PLAN MAY SOLVE THE PROBLEM OF LOANS TO EMPLOYEES

When an employee comes to you for a loan, you want to help him if you can. But probably it's against your company's policy to make loans to employees. After all, your company can hardly act as family banker to *all* your workers. Your directors may rightly feel that there is a task which should be taken over by a lending organization.

Where Workers Can Borrow

To supply cash credit to workers is the job of Household Finance. At Household the responsible wage earner can borrow $20 to $300 to meet an emergency—a long illness, a serious accident or any one of the many situations when expenses total more than the family's savings.

Borrowers obtain their loans on their own responsibility. No bankable collateral is needed. No wage assignments are taken. No credit inquiries are made of friends or relatives. Getting a Household Finance loan is a simple, businesslike transaction promptly and privately completed without embarrassment to the borrower.

Those who borrow at Household repay their loans in equal monthly installments. These installments take but a small part of the borrower's monthly income. Thus workers of modest earnings can repay without sacrifice of living standards. The table below shows typical loans and repayment schedules. The borrower chooses the installment which best fits his budget.

Amount of Cash Loan ↓	Amount Paid Back Each Month Including All Charges				
	2 mos. loan	*6 mos. loan*	*12 mos. loan*	*16 mos. loan*	*20 mos. loan*
$ 20	$ 10.38	$ 3.63	$ 1.95		
50	25.94	9.08	4.87		
100	51.88	18.15	9.75	$ 7.66	$ 6.41
150	77.82	27.23	14.62	11.49	9.62
200	103.77	36.31	19.50	15.32	12.83
250	129.71	45.39	24.37	19.15	16.04
300	155.65	54.46	29.25	22.98	19.24

Above payments figured at 2½% per month and based on prompt payment are in effect in New York and nine other states. Due to local conditions, rates elsewhere vary slightly.

More From Their Incomes

Household renders another important service to wage earners. Household's educational program on money management and better buymanship shows families how to save on daily necessities—how to get more from their incomes.

The coupon below will bring you, without obligation, further information about Household service and how it can help your employees. Why don't you send it now?

HOUSEHOLD FINANCE
CORPORATION *and Subsidiaries*

Headquarters: 919 N. Michigan Ave., Chicago

"Doctor of Family Finances"

one of America's leading family finance organizations, with 250 branches in 160 cities

HOUSEHOLD FINANCE CORPORATION, Dept. NB-10
919 N. Michigan Ave., Chicago, Ill.

Please send me booklets about Household's family money service without obligation.

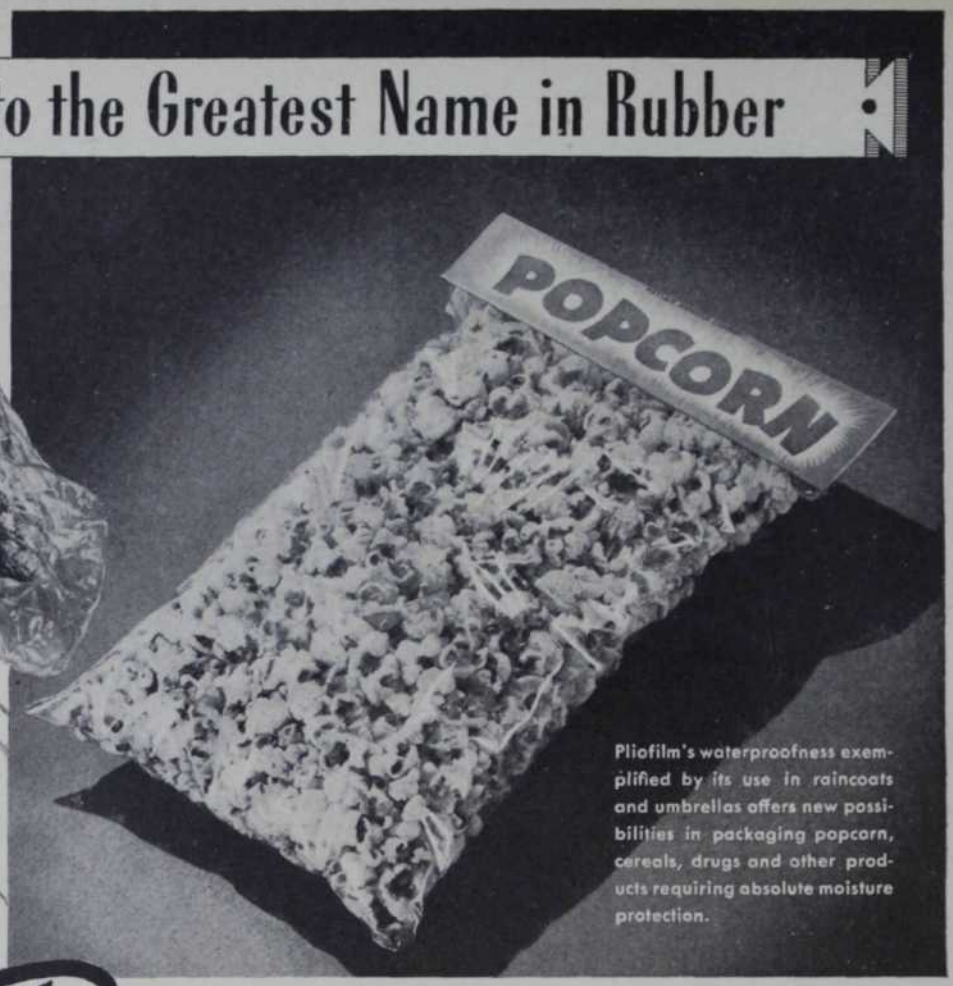
Name

Address

City *State*

Living up to the Greatest Name in Rubber





Pliofilm's waterproofness exemplified by its use in raincoats and umbrellas offers new possibilities in packaging popcorn, cereals, drugs and other products requiring absolute moisture protection.

Pliofilm is revolutionizing packaging...and a dozen other industries

TO transparent packaging Goodyear now brings the signal advantage of inherent moisture-proofness—in a new synthetic sheet material of unusual strength and toughness called Pliofilm*. It is so completely waterproof that raincapes and umbrellas are being made of it—so stoutly durable that many liquid-packed products heretofore packageable only in glass or tin are finding new economy in Pliofilm containers. And it seals with an air-tight weld, making it possible to vacuum-pack coffee in inexpensive Pliofilm bags.

These unique properties promise important savings to many industries. Tests show bread keeps moist and fresh for weeks when sealed in Pliofilm. Hygroscopic chemicals keep tinder-dry in Pliofilm-lined bags that replace metal canisters. Its high tear-resistance gives lasting protection to all fine merchandise from counter wear and soilage, keeps it clean and price-worthy. And in the home Pliofilm finds wide utility in colorful curtains, table covers, lamp shades, garment bags and toilet accessories. Product of a thousand uses, it is one more proof of Goodyear's leadership as the greatest name in rubber.



1839 · THE CENTENNIAL OF RUBBER · 1939

Great beyond all other names in rubber is that of Charles Goodyear—discoverer just a century ago of the process of vulcanization that made rubber usable to mankind. To honor him The Goodyear Tire & Rubber Company was named long after his death; from his lifelong effort to extend rubber's utility it takes inspiration and seeks by serviceability to deserve his name.

GOODYEAR

*Trade-mark of The Goodyear Tire & Rubber Company

Toward a Mobilization of Sanity

ONCE more Mars has kicked over the council table and leers red-eyed upon millions of men in mortal combat, and upon other millions dreading word from fronts clouded by censored propaganda. How immeasurable all the forces and influences loosed for destruction, only the holocaust of a quarter century ago can even faintly suggest.

The need of the hour is for the American people to find the wisdom to shape their course. This will be difficult, indeed, in the emotionalism of war-time psychology. To recognize our remoteness from the fearful din of battle does not signify indifference to the agony of Europe. We cannot be insensible, if we would. Our senses are assaulted with events faster than we can comprehend them. Headlines scream their tidings of victory and defeat. Radio blares its babel of comment. Rumor is rife. Mystery is in the air. Truth is hidden in blackouts. There is no moment of calm in which to think things through, but think we must. Our national security is assured only by the exercise of sanity and the persistence of clear-headedness.

We are in danger of forgetting that we ourselves are not at war. But thinking and talking are two of the surest ways to bring about the feeling that it is inevitable. Common sense would indicate that it is no more inevitable that the United States, 3,000 miles away, become involved than it was for the dozen countries like Switzerland, for example, directly in the path of the combatants in 1914, who maintained neutrality. As an American correspondent in London says, it seems that we are more excited today than some of these same countries.

Our task is to build at home, to make America strong against any eventuality in peace or war. Defensive measures do not consist solely of more battleships and more recruits. The best possible defense is a nation whole-heartedly, and as a team, producing to its fullest capacity, exchanging to the maximum the products of brain and hand. Such a course would lay up a reserve not only of material things but also, and more important, a reserve of spiritual values brought about by a nation employing all its latent powers toward one objective, a stronger America.

This calls for patriotism of the highest order, a give and take, a tolerance, a teamwork that is real, recognizing that others as patriotic may have ideas, too. Such unity comprehends tolerance between individuals; it also includes tolerance between political groups; it calls particularly for an understanding upon the part of our government officials of the points of view of management, upon which falls the sweaty task of organizing and directing the forces of production and employment. The business of satisfying a nation's economic wants, raising its standard of living, thus giving employment to its people, is more important today than fighting for an ideology that would make America over. Dictocracy pervades the world; it is to be found everywhere, distinguished only by the degree of its mastery over the affairs of life. Our executive bureaus and commissions should realize that repression and restriction create nothing, that, in very fact, they put a grievous charge upon enterprise at a time when enterprise is so sorely needed.

On the horizon of public policy new controls affecting the citizen's freedom of action are beginning to appear. They will come to definite form and substance in the name of emergency. Whatever the logic for their acceptance and application, the people must see to it that when the emergency is over, on that day the temporary loan of their independence be returned to them, and in the full measure in which it was borrowed.

Our destiny as a people transcends the plan of a political lottery ruled by administrative whim. It is still possible in this country for the citizens to determine the national interest and the commitments which will best achieve that interest. If we lose our representative government it will be because it is abandoned at home and not because of alien confiscation.

The major premise in the situation we now contemplate is that we are not at war. Our resources are intact. Life on the American plan is still normal, still constructive, still sweet and worth the living. The best turn we can do embattled civilization is to keep our own house in order, and see to it that our common sense is not interned.

Merle Thorpe


GOVERNOR OF NORTH CAROLINA


GOVERNOR OF LOUISIANA


GOVERNOR OF OKLAHOMA


GOVERNOR OF FLORIDA


GOVERNOR OF MISSISSIPPI


GOVERNOR OF SOUTH CAROLINA


GOVERNOR OF TENNESSEE


GOVERNOR OF TEXAS


GOVERNOR OF ARKANSAS


GOVERNOR OF ALABAMA


GOVERNOR OF GEORGIA
Chairman

"MADE IN THE SOUTH"
CARRIES A POWERFUL APPEAL TO SOUTHERN CONSUMERS

Industry finds ideal manufacturing conditions in the South. Moderate climate, lower living costs, efficient and reasonable labor, a limitless supply of raw materials, splendid power and transportation facilities, plus a rich and rapidly expanding market. Industrial expansion has been so rapid in recent years as to be characterized by noted economists as of "almost explosive proportions."

WE, THE GOVERNORS of the Southern States feel it our duty to advise Industry of the growing and natural tendency of Southern people to demand goods "Made in the South."

Today the people of the South stand united upon all issues vital to its economic growth and well being. Preference for goods "Made in the South" is only natural and manufacturers who serve the South from branch plants established in this region enjoy a two-fold advantage: lower production costs in the midst of a rich, consuming market that is expanding with amazing rapidity. Make your plans now to "Make it in the South" for Southern consumption. Write us for full information or route yourself through the South when you visit the New York or San Francisco Fair.

Southern Governors Conference

LAWRENCE WOOD ROBERT, JR.
Executive Director

CARROLL DOWNES
Industrial Consultant

Bona Allen Building, Atlanta, Georgia

SOUTHERN GOVERNORS CONFERENCE



The Wagner Act "Settles" a Strike

HERE is the simple, forthright story of the troubles of a highly specialized floor covering business, the fourth largest in the carpet industry, how they originated, why they persist, what they signify in frustration of the will of management to keep the wheels turning. It is a story told on the witness stand to a committee of the United States Senate. It took four hours and 17,000 words in the telling. Mr. Wadely's testimony is significant because the conditions from which it issues are faced by one man leadership as well as by the directorates of the largest corporations. In speaking for himself Mr. Wadely spoke for thousands of his fellow employers. With their interest in mind NATION'S BUSINESS prints herewith representative excerpts from his testimony. -



Union headquarters announced the election was set aside almost as soon as decision was announced 70 miles away. Left, two of the 600 cards signed by Firth employees. Originals carried names in full

To The Firth Carpet Company
Firthcliffe, N. Y.

I the undersigned DO NOT want the TWOC to bargain for me after the expiration of the agreement, May 26, 1938. I sign this of my own free will and accord.

Signed G M
Dept. Cop Room

To The Firth Carpet Company
Firthcliffe, N. Y.

I the undersigned DO NOT want the TWOC to bargain for me after the expiration of the agreement, May 26, 1938. I sign this of my own free will and accord.

Signed L M
Dept. Setting

FIRTHCLIFFE, N. Y., is a quiet little village in Orange County, about 70 miles north of New York City, on the west bank of the Hudson River and less than five miles southwest of Newburgh.

The business of the town and community depends largely upon the operations of the Firth Carpet Company which employed more than 1,000 workers until it was interrupted by labor troubles.

Harold E. Wadely, president of the organization, was asked to appear before the Senate Committee on Education and Labor which was holding hearings on proposed amendments to the Wagner Labor Act and tell what had happened in his organization after an attempted union organization of the workers.

The following material has been gleaned from the more than 17,000 words recorded while Mr. Wadely was on the witness stand and told in the words he used in describing conditions in his plants.

I would like to relate our experience during the past two and a half years which I will do as concisely as possible. Before doing so I would like to put on record the fact that neither myself nor my



The quiet of Firthcliffe's streets was shattered when the union organizing committee arrived in the spring of 1937



President Harold E. Wadely welcomes company employees back to work at a celebration which marked the signing of the contract with the union



Counting ballots in the election sponsored by the Labor Relations Board. The T.W.O.C., which claimed a majority of workers, was defeated 420–379

company is opposed in any way to honest labor unionization or to the principles of collective bargaining, or indeed to any other principles calculated, framed, and, above all, operated for the realistic betterment of the American worker.

Harmonious labor relations

WE have three plants, one each in Newburgh, Auburn and Firthcliffe. We have a union labor contract with the employees of our Newburgh plant where harmonious conditions have existed for many years. The Newburgh union was originally a local of the United Textile Workers under the A.F. of L. banner but when taken over by the C.I.O. in 1937 still continued to govern itself. Likewise, the relationship at our Auburn plant has always been of the best, but we do not have a union-labor contract covering that plant because few of the employees have shown any indication that they wish one.

At the Firthcliffe plant there has always been an excellent relationship between the company and employees from its foundation in 1888 until the spring of 1937. We employed an approximate total of 2,000 persons of whom 1,046 were at the Firthcliffe mill in 1937. Employment there has been cut to 788 because we have been afraid to enter into long-term commitments on business.

Things have gone harmoniously at Auburn where there was no union, they have gone harmoniously at Newburgh where there was a union, and they have gone into a state of discord in Firthcliffe where there has been great agitation.

The facts which I am about to relate do not refer to a giant corporation of vast resources and governed by a group of high-priced executives. Rather our management is composed of plain people, our executives are recruited from the ranks, and I am not ashamed to include myself in this same category. Our story is a simple one—just a story of labor as it refers to "Main Street."

The quiet of Firthcliffe or the "Main Street" in this case was suddenly shattered in the spring of 1937 when an advance guard of the Textile Workers Organizing Committee of the C.I.O. descended upon it and began operations; and thereafter began a campaign to vilify and undermine the management in an attempt to organize the plant. This campaign included the circulation among the employees of inflammatory leaflets, all of which agitated the workers and were calculated to destroy the good relationship which had existed for so many years at the plant.

I would draw attention to just one little extract from one of the leaflets which says:

> You can't be fired for joining a union.
>
> A lot of you are saying, "If I join the union and the boss finds out, I'll be fired." This is not true, again for two reasons. One, the Congress of Industrial Organizations is here to protect your job. Two, the Wagner law says

that even if only one worker in the plant belongs to the union, that worker cannot be fired.

Since we saw increasing unrest developing among our employees due to this agitation and vicious propaganda falsely charging that our wages were the lowest in the industry, we appealed on April 27, 1937, to the Textile Relations Board, a division of the Conciliation Service of the United States Department of Labor.

Notices were posted throughout the plant that arrangements were being made for an independent investigation of wages and conditions and that the management would undertake to adjust wages in line with the best competitive rates paid in this industry as might be disclosed by this federal investigation.

Apparently the T.W.O.C. organizer was not content to allow the deliberate test of truth to be applied to these two questions (i.e., the wage-rate question and the question of majority representation). Two days later a strike of an easily intimidated small night shift was called. This was purely an organizing strike calculated to coerce employees into joining the union by depriving them of their means of livelihood.

A few of the company's employees, together with a number of outside men imported by the organizers, formed a picket line outside the only gate to the plant and, when the employees came to work at 7 o'clock the next morning, they were threatened with physical violence if they attempted to enter.

After the strike had been in progress for some days we were called to the local National Labor Relations Board offices by the regional director, and it was clearly put up to us that we should make an agreement with the C.I.O.; otherwise serious charges would be preferred against us. The director then stated that she believed the Textile Workers Organizing Committee represented a majority of the workers and that we should bargain with their representative.

To bargain with all groups

WE replied that we did not believe that the T.W.O.C. represented a majority but that, consistent with our policy, we would talk with any one representing a group of our workers.

Several conferences were held, but no evidence was produced to satisfy us that the T.W.O.C. represented the majority. I felt that the regional director was giving aid and comfort to the C.I.O. and, in support of that statement I have a copy of the Newburgh *News* of May 18, 1937, in which there is a picture of her together with a staff organizer for the C.I.O. The paper says the regional director was in Newburgh in an effort to settle the strike but, as a matter of fact, she never came near our plant, nor contacted any of our management and as far as I could see no

(Continued on page 68)



President Wadely (left) and the union organizer meet in the mill office to sign the union contract which ended the three weeks' strike



Jubilant employees return to work after the strike. Led by a band, they marched to the plant from union headquarters some blocks away



A few of the hundreds of employees who attended the company-sponsored party celebrating the end of the strike line up for refreshments

The First FIVE MINUTES

By PAUL W. KEARNEY



NATIONAL PHOTO

THE AVERAGE man doesn't expect to fight a fire but, nine times out of ten, he is the fellow who discovers the blaze. Here are some tips that may prove useful some day in your home, your car, or your office

AN EMPLOYEE, discovering a lively little blaze in the storeroom of his factory, rushed outside for a fire extinguisher, inverted it as per directions, then ran 200 feet back to the scene of action. Naturally, the extinguisher was empty when he got there and the fire department had to be called to subdue the outbreak.

In a garage the spillage from an overfilled gas tank on a car ignited, whereupon a mechanic jerked an extinguisher off the wall and turned it on the blaze. The effect was to make matters worse because, in his ignorance, he used a soda-acid extinguisher (or "water type") which merely scattered the liquid fire under the automobile.

In an Atlantic City hotel a simple grease fire in the kitchen eventually gutted the building because a half-dozen excited cooks and dish washers squirted the contents of an equal number of extinguishers on everything, apparently, except the blaze. Hence six quarts of liquid failed to do what one quart should have done with ease.

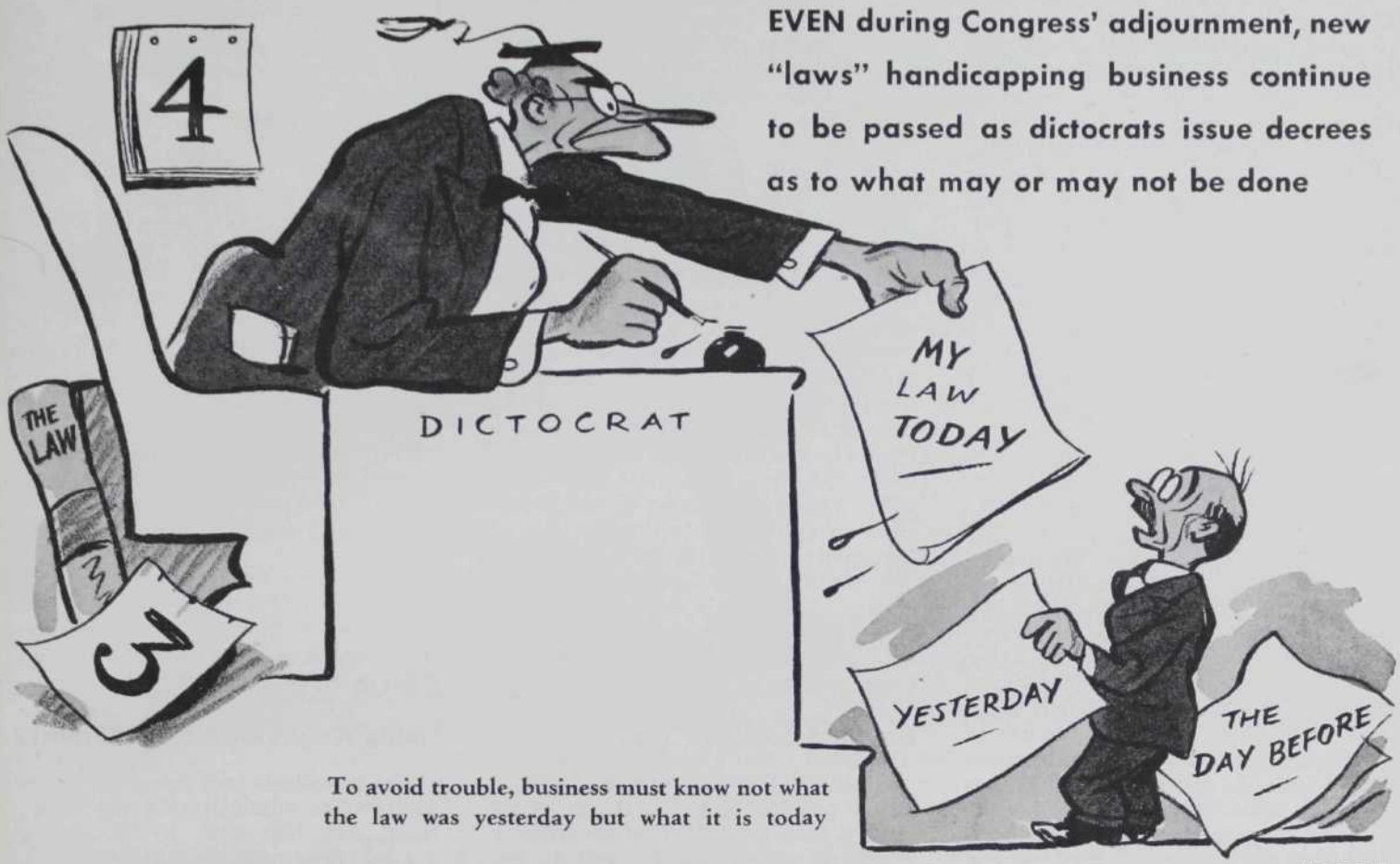
Firemen have an old maxim to the effect that "the first five minutes at a blaze are worth the next five hours." But it might be said in passing that this presumes, first, that those present have some armament more effective than fly swatters and, second, that they have some idea how to use them.

The incidents related here are no indictment of fire extinguishers as first aid appliances. For every such blunder I can cite a hundred instances where extinguishers have performed miracles even in the hands of the inexperienced. Fancy an elderly nun, for instance, confronted with a blazing Christmas tree in a church, touched off by a careless altar boy's candle, and surrounded by a milling mob of kids frightened to the brink of panic. Few things rival the instantaneous fury of a blazing Christmas tree; nothing is as unnerving as the shrieks of fear-stricken children. Yet that aged woman knocked down that blaze in two minutes with a one-quart hand extinguisher!

The point is that any good extinguisher, properly used, can perform wonders. If I could describe the extent of some fires I've seen skilled men put out with them, you'd call me a liar, so I won't bother. Let's just content ourselves with the observation that the proviso, "properly used," covers a wide field.

Most of us see extinguishers every day in our business places, stores, theaters. And against the unexpected moment when you may have to use one, make a note that *five* different types of chemical extinguishers, each

(Continued on page 84)



EVEN during Congress' adjournment, new "laws" handicapping business continue to be passed as dictocrats issue decrees as to what may or may not be done

To avoid trouble, business must know not what the law was yesterday but what it is today

New Government Hurdles for Business

By RUSSELL L. GREENMAN

FEDERAL law-making did not cease when Congress adjourned in August. Not by any means. Under this administration, law-making is a continuous process. The most prolific law-givers in Washington never go on vacation. They are the dictocrats on the various boards, commissions, agencies, and departments, which apply and interpret the indefinitely phrased statutory skeletons Congress enacts to enable these administrative tribunals to write the law from day to day.

To be entirely sure of keeping out of trouble with federal authorities, it is not enough for business men to familiarize themselves with federal regulatory statutes as passed by Congress. They must ascertain what the law is this month, and today.

Economic Planning Condemned

Ever since the days of the N.R.A., key government officials have preached the doctrine of economic planning. They have pointed with scorn to the existence of stupid, ruthless, cut-throat competition.

They have condemned industrialists for failing to regularize production, employment, sales and prices. But the kind of planning they have advocated was not planning at all. Instead, it was rigid government control of industrial operations, allocation of production, price fixing by federal agencies, and all that goes with it.

Now comes the Department of Justice in a move to stop economic planning and business cooperation when engaged in by industry itself. In fact, the Department has brought about the indictment by a federal grand jury of more than 50 manufacturers and trade association officers. These individuals had cooperated in developing plans for sharing available business on a "live and let live" basis. They decided it was time to stop cutting each other's throats. They thought it was in the interest of the public and themselves to try to assure the continuous availability of their products at reasonably stable prices.

To the Department of Justice all this was reprehensible. The Department has succeeded at least in convincing the grand jury that these individuals should be tried on criminal charges of conspiracy to violate the antitrust laws.

Fostering Unemployment

There has been little abatement of the attacks on business for its supposed failure to devise means for creating new jobs to end large scale unemployment. And yet one group of business men who have tried to do that very thing are now under attack by the Federal Trade Commission. The Commission has accused a number of cosmetic manufacturers of violating both the Robinson-Patman Act and the Federal Trade Commission Act. The alleged violations have taken the form of employ-

ing sales agents to act as demonstrators in department stores.

The use of demonstrators is not new. The last census showed some 10,000 persons employed in such activities. Nevertheless, the Commission is evidently trying to have all of them thrown out of their jobs.

The Commission's move is ostensibly on behalf of consumers. The housewife is supposed to be deceived when she buys powder or perfume from a clerk who is paid by the manufacturer rather than by the store proprietor. If the Commission should succeed in stopping the use of demonstrators paid by manufacturers, this would impose a severe handicap on the little business men in whom the administration has professed such paternal interest.

The use of demonstrators is an economical form of advertising and sales promotion. It is point-of-sale advertising, the results of which can be quickly measured. To defend this practice is not, of course, to deprecate the advantages of other kinds of advertising. All have a legitimate place. It seems strange, however, that when another arm of the Government, the Department of Justice, is going far out of its way to condemn the extensive use of magazine, radio and newspaper advertising by large corporations, the Commission should be trying to abolish one form of sales promotion that small establishments have applied effectively.

Headaches for Accountants

For three years, corporation attorneys, sales managers, and cost accountants have been trying to ascertain the real meaning and effect of the Robinson-Patman Act. The Trade Commission has just thrown new light on the subject. It has held a large food manufacturing and distributing company in violation of the Robinson-Patman Act because it maintained a price policy under which the price of a certain product to any given customer varied according to the customer's total requirements for this product.

The Act would not ban such price discrimination, of course, if the variations between large and small purchasers amounted to no more than the difference in the costs of production, sale or delivery. In the case of this company, the Commission concluded that the price differentials were not justified on these bases.

The Commission declared, among other things, that costs which are not incurred in the manufacture, sale or delivery of a product, and costs which should be allocated equally per unit to the product, cannot be made the basis for price differentials, and only such costs may be used to justify a price differential between different purchasers of a product of like grade and quality as those which reflect no more than the savings made in the functions and activities which are essential in the manufacture, sale or delivery resulting from the different methods or quantities in which such products are sold or delivered to such customers.

Reduced to relatively simple language, this seems to mean that no company can legally seek to increase its volume by offering inducements for large-scale purchasers of its products unless it is able to compute to the last cent the savings to it from sales in larger quantities than in smaller, and unless the price differentials so established do not exceed by a single penny the savings so computed. Even then, there may be, as there were in this case, honest differences of opinion as to the methods of cost finding and as to the accuracy of the results. So a company takes a chance of being held in violation of the law unless it utilizes whatever cost finding procedures the Commission happens to favor at the time.

Boosting Southern Wages

Brain trusters who espouse the "boot strap" purchasing power theory of recovery, have long felt that progressive raising of wage rates of so-called relief clients constituted a most effective device for forcing general advances in wage levels throughout private enterprise. Their theory is to have a new test.

W.P.A. rates for unskilled labor in rural areas of the South have just been increased $9 a month. The monthly rates for the same class of labor in the larger cities in the South have been increased $10.70 a month. Henceforth, the urban W.P.A. worker in the South will have a monthly wage of $50.70. This is only $3.90 a month less than the wage that will have to be paid to all employees subject to the federal Wage-Hour Act after October 24, when the basic minimum rate is stepped up from 25 cents to 30 cents an hour. On the assumption that most W.P.A. workers are qualified for some sort of productive work in private industry, it remains to be seen how many of them will be attracted from their posts on the public pay roll by a wage increase of less than $1.00 a week.

If the brain trusters are right, the new scale will force private employers to jack up their wage scales considerably beyond the minimum rates provided by the Wage-Hour Act.

Fixing Wages Industry by Industry

The herculean task faced by Elmer Andrews in administering the Wage-Hour Act has been by no means

(Continued on page 74)



The Labor Board has issued its own definition of free speech, a definition which makes the Bill of Rights almost meaningless



Outdoor religious meetings, held on Friday, bring out about 64 men

Running a Business with the Aid of Prayer

By FRED B. BARTON

TWO OF the three men were scowling. They sat there in the President's office, with the door closed. Everybody was silent.

Finally the President spoke.

You two fellows don't get along. Here we are, busier than we ever have been before, and we just can't get the business out—simply because you two are angry at each other. Both of you have told me privately you wish I'd get rid of the other fellow.

He waited an instant in the silence, then went on. His tone was oddly faltering for a clear-eyed man of football build.

It would be an easy matter if either of you were shiftless or dishonest or not interested in your job. But I know you both are loyal. You both enjoy your jobs. I don't want to fire either of you, and I can't afford to fire both, even if I wanted to.

This is too much of a decision for my little human brain to make. What do you say if I ask God's help in finding the answer?

Both men agreed they thought that would be all right.

So the company president prayed. Quite simply, but quite frankly, he talked things over, out loud. He told how anxiously he hoped that some solution could be found. He told how he admired both men, and how important it was to the happiness of all three that the right answer be found—and now.



Maybe prayer won't solve everyone's problems but it helps Mr. Eastman (right) and his men

The prayer ended. The President said softly, "Let's have a moment of silence."

The faces weren't quite so scowling now. They were deeply thoughtful.

Finally one man raised his head.

"I can see now, Joe, that I haven't been giving you a fair deal," he said. "I've been expecting much too much of you. It's no wonder you fell down sometimes, and I want to apologize."

The other broke in.

"I'm sorry, Sam, you beat me to it. I haven't been giving the best I had in me. That's part of the trouble."

Sam spoke again, "I think I have the solution to our difficulty. You know, Mr. Eastman, if we could bring in a third man from

(Continued on page 80)


BALLOT

The "Ism" America Wants

By JAMES A. WORSHAM

THE RIGHT, under the law, to satisfy any worthy desire is the foundation of American progress. Lose it, and you lose all

IN the face of all the many "isms" that are being tried or proposed for trials today it is my conviction that we have wandered away from the only "Ism" that can get us out of our difficulties. That "Ism" is American-ism.

It was American-ism that made this country great. It is the greatest, richest and most priceless heritage that can come to the children of men. If and when it loses we all lose.

It is simple enough to understand. It can be set down in a single sentence.

At one time I had only a hazy idea about its simple, basic, eternal principles, but an unusual experience that came to me out of the day's work made them plain.

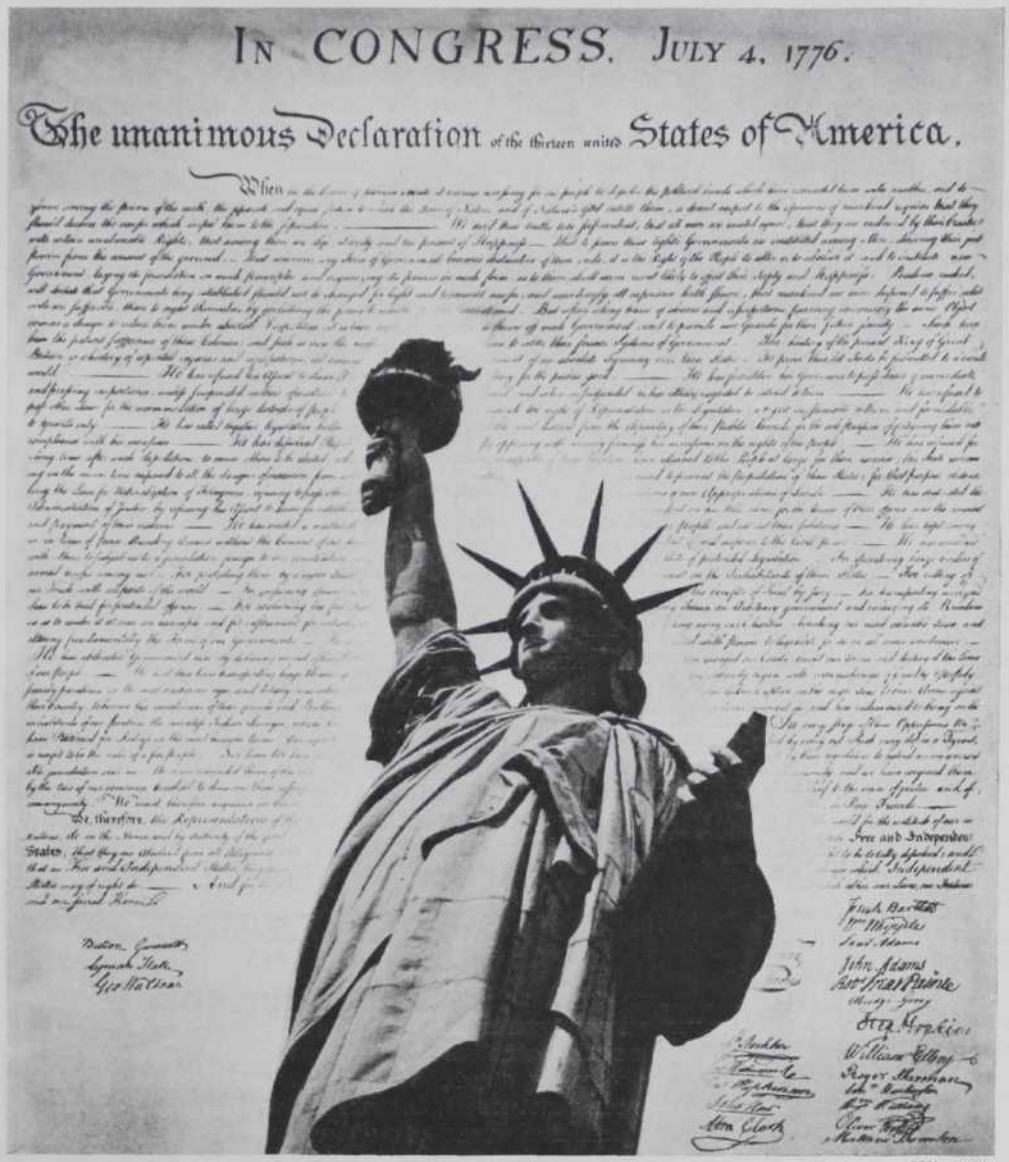
I used to be distressingly timid. Often I have walked up and down in front of a place of business a dozen times before summoning up courage to go in and present my proposition. Then something happened.

For more than two years I had been going to a city where I was supposed to call on a man named Moore, the purchasing agent of a large firm.

I had purposely refrained from calling on Moore because other salesmen reported that he was difficult to see, hard boiled and insulting. Each time I was able to frame up a good alibi for not seeing Moore on that trip, but I knew I couldn't keep that up forever.

One day I was waiting for a bus when a man I knew rushed up and handed me a $20 bill.

"I owe this to Moore for a bulldog pup," he said. "I promised to pay him today, but I have to catch a train that leaves in ten minutes. Will you give it to him?"



GEORGE LOHR

Americanism is that way of life where each individual has the right to pursue the satisfying of his own wants in his own way

Before I could answer he took off toward the station. There I stood with $20 to take to a man I was afraid of.

But, notice the transforming power of $20. I found myself eager to get to Moore's office and I marched confidently into his reception room. I asked the young woman at the information desk if I could see Mr. Moore at once.

"What is your business?" she asked cautiously.

"It's personal."

She mumbled something into the telephone and in a few seconds she pointed to a door and said, "That's his office. Go right in."

Until this particular moment that would have been a signal for my knees to become weak, but not this time. I walked in.

It was a magnificent office, doubtless planned to awe salesmen.

Away over in a corner sprawled a massive walnut desk. Behind it sat a belligerent looking man who didn't even glance up as I walked in.

"Are you Mr. Moore?" I asked.

There was no reply.

"Are you the Moore who raises bulldog pups?" I persisted.

Whatever your goal: to vote for whom you please; to own a finer home; to worship in your own way; to have a better automobile; Americanism gives you the right to strive toward it. No other "ism" does

That brought his face up. He surveyed me sullenly for a moment and then said, "Yes, I am."

I handed him the $20 with explanations and asked for a receipt.

He called to his secretary to write out a receipt and then he waved me to a chair. "Sit down," he invited, almost cordially. And he started a conversation about dogs that lasted fully an hour. Finally I arose to go. He came around immediately to where I stood and asked, "By the way, what firm are you with?"

When I told him, a genuine enthusiasm flared up as he remarked, "I have been wanting to see a salesman from that firm for six months. Can you come back this afternoon about three and show me your line?"

To this day I do not know why I did it, but I said, "Brother, I am a busy man. I can't get around to call on you again for three weeks."

When he recovered from his astonishment he actually begged me to come back that afternoon, but I put him off and walked out. But I did go back within three weeks and sold him more than $1,800 worth of goods.

On my way home, I asked myself: "Why wasn't I afraid of Moore when I was taking him that $20?"

Here was my conclusion and in 18 years I have had no reason for changing it. I was not afraid of Moore because I knew I was taking him something he wanted.

But as I pondered over that experience I made other more important discoveries. I discovered that Moore had a multitude of other wants besides his want for money. I discovered that, as he discussed my proposition with me on the second visit, he frequently used the phrase, "I want": "I want the equipment of this size"; "I want it of this color"; "I want it to have this capacity."

I discovered that, when all was settled and he had signed the order, he was positively happy.

I discovered that Moore's collection of unsatisfied wants was the dominant thing that was engaging his attention and interest—not his few needs.

I discovered that Moore's wants differed greatly from mine and, in due time, I found that the wants of each individual are different from every other individual—no two collections of wants are alike.

And here was my greatest discovery. I discovered that all of these fundamental things were exactly those principles which our forefathers had in mind and at heart when they set up that way of life we know as American-ism; that because individuals do have many wants; that because the wants of each individual differ from those of every other individual; that through satisfying our wants comes prosperity and also our happiness—therefore:

Americanism is that way of life where each individual has the right to pursue unmolested the satisfying of his own personal collection of wants in his own way.

Is there anything hard to understand about that "ism"? Is there anything mystical or removed from every-day reality? After all, is that not the basic law of happiness? Are you not happiest when you are doing what you want to do? Aren't you most sucessful when you are doing the things you want to do?

Selfish? Not in any sense. In fact it is most unselfish. Because you have to get what you want through satisfying the wants of others. And that builds prosperity for all.

For the individual to satisfy his wants in as unrestricted a way as possible is an ideal for which humanity has striven for ages. It is the supreme attainment—the only possible way for the individual to realize the fullest in personal development and greatest happiness.

Any departure from it is always falsely labeled progressive.

Our wants rate high

AND it is important to remember that our forefathers placed this "pursuit-of-happiness" right up on the same exalted level as liberty and even life itself.

But we must keep this distinction in mind—that our happiness does not come through satisfying a few simple needs. Happiness comes only through satisfying our wants.

The needs of an individual are few. Take an inventory of your own some time. You can take care of them for a few cents a day. Tramps do. People in China do. Any "ism" can guarantee that.

But take an inventory of the things you want and you will be surprised to find that it is going to take all you can earn to satisfy even a part of them.

If some one gave you $100,000 today what would be the first thing you would do? Would it not be to satisfy some of your unsatisfied wants?

Maybe you have always wanted the finest home in the city, or the most beautiful automobile, or to acquire a musical education, or to give your children the best schooling available. Whatever you selected could be classified as one of the things you wanted. And in doing this you would be pursuing happiness for yourself and the net outcome to others would be a measure of prosperity through your spending.

We come into the possession of our wants through the most involved and intricate process imaginable. It involves every phase of education and experience. Everything we have ever seen, heard, tasted, or contacted by our senses in any way has contributed to our wants.

Business itself has contributed much to developing wants as well as offering things and services to satisfy them.

The difference in the degree of wants is doubtless in evidence in your own home as it is in mine even in regard to an item like toast. My wife wants hers toasted on one side and buttered afterward. Son Donald wants his toasted on one side and buttered before toasting. My son Ralph wants his toasted lightly

(Continued on page 82)

Raking Leaves Cracks Independence

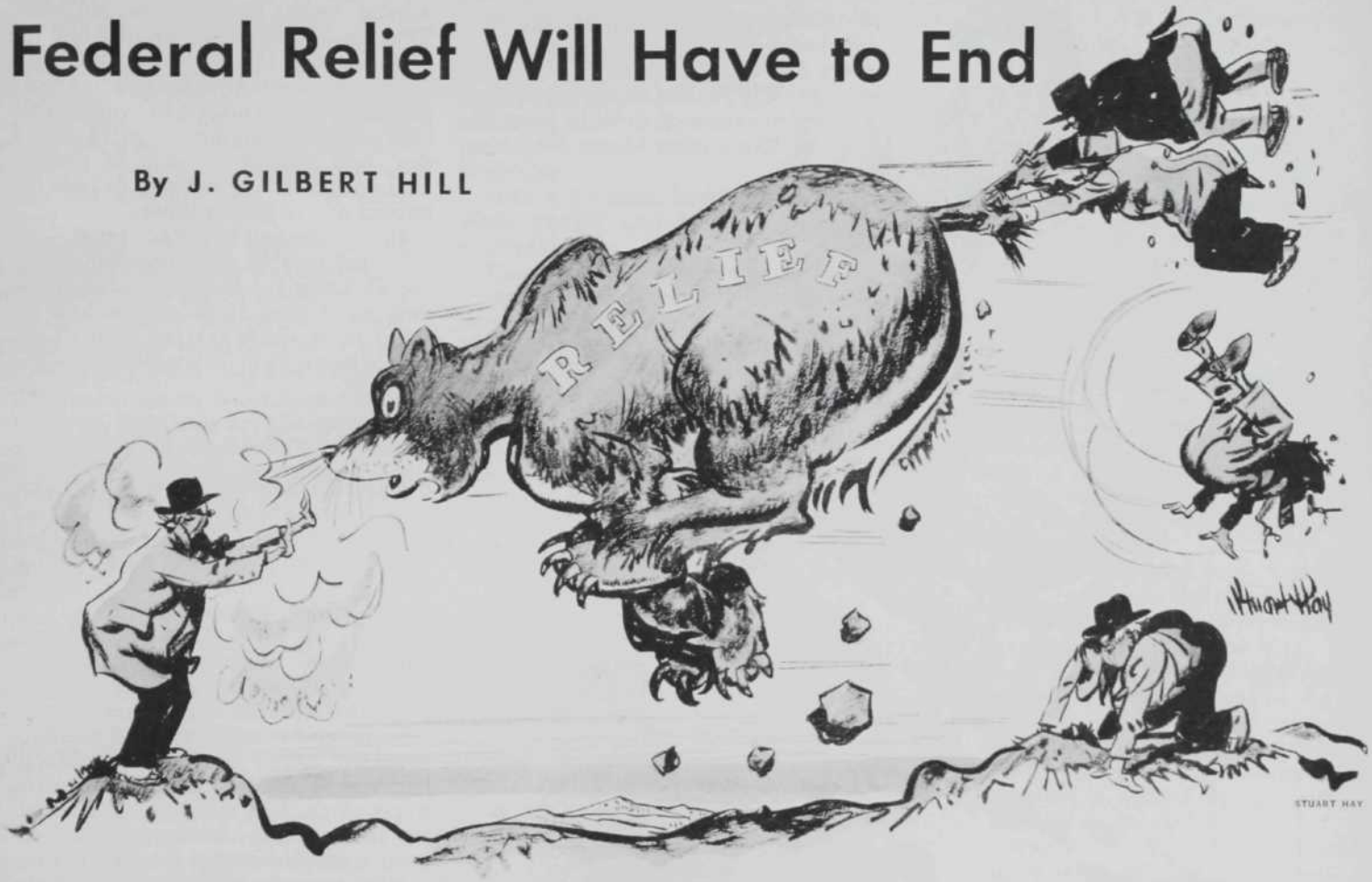


W. S. Murray and "Beeno"
Pacific Finance Corporation, San Francisco

"Any political philosophy that encourages a man to give up his fight for a successful life, to lean on a shovel or rake leaves back and forth for $65 a month is doing something to that man's independence, to his spirit and self-respect, so that he soon loses any desire for individual achievement."

Federal Relief Will Have to End

By J. GILBERT HILL



We have assumed that relief didn't affect us, that only politicians had a sociological bear by the tail

AND the end will come, in this man's opinion, either by an orderly throttling of the political power of the relief vote or financial collapse of the Government

CONCEIVED by fear and sympathy, born of business chaos, and nourished by expediency, government relief has become an economic Frankenstein.

Because the problem is so terrifyingly complicated, too many of us have been willing to try to laugh it off, ignore it if possible, and criticise only as a last resort. We have wanted to assume that "some one else" is affected—that politicians, not us, have a sociological bear by the tail.

Even those who administer relief apparently cannot measure its real extent. The Federal Social Security Board recently counted 20,800,000 persons enjoying some form of city, county, state, or federal charity.

But the same week, Oklahoma's relief agency executives found 1,036,747 of that state's entire population of 2,500,000 on charity.

The relief monster hasn't been yanked from its obscurity by statistics. If Security Board figures are accepted, then one of every six Americans is being pauperized. If Oklahoma figures are correct, and the same ratio of relief clients to population holds for the nation, these clients number nearer 50,000,000 than 20,800,000.

In any case, the charity Frankenstein is too big for comprehension and is growing larger. If it is allowed to continue, the number on relief, conceivably, will outnumber those paying for it.

Relief, then, must stop increasing or collapse of its own weight. That is the simplest—and most heartless—way out.

Fortunately it isn't the only way. We all know how to stop relief. No one has convinced us that we should.

Trouble for the reliefers

NO one has told the "poor reliefer" that he is being duped; that when hell breaks loose, every demagogue is going to be too busy trying to save his own hide to look out for any one else; and that a man who hasn't been standing on his own feet in a breeze can't get up in a blow.

No one has convinced politicians that they'll be turned upon by the monster they've created when they no longer can feed it on the fat of the land.

No one has been able to convince American workmen, small business men and farmers that they're in danger of losing all they hold dear—life, liberty, homes—when their Government, sapped of its strength by unwise charity, becomes too weak to protect them.

No one has scared us enough! But we can be scared—completely insane—as any critical analysis of the birth of relief shows clearly.

This country has gone through economic debacles before. But this is the first time financial crisis has caught us with even our leaders in panic.

So-called "big business men," "fearless police officers," and "executives of the state," were scared stiff! They told each other that the United States was facing a revolution. Radios and news-



Relief must stop increasing or collapse of its own weight

papers joined the din. Evidence of revolution came from a few food riots and mouthings of rabble rousers ready to seize advantage of any situation which might bring them the limelight (before the rabble) and an extra dollar in some dark alley from some one who feared the mob.

The economic machine was out of gear and running wild, downhill. America had forgotten how to tighten its belt and take it.

Panic and sympathy became the father and mother of relief!

Uncle Sam dispenses charity

IT does no good to blame any one or minimize hardships of the unemployed. Some one had to care for those without wages. Private charity agencies were crushed. Government, with its power to finance by taxation, was the only thing big enough to meet the emergency.

That's the prosaic history of the building of the mechanical structure of relief. America offered charity. It acquired an aggressive star boarder. The basic factors which created the relief problem then, are:

1. Lack of jobs.

2. Development of sissy words for unpleasant facts. Charity became "relief." Beggars, bums, hoboes, became "employables" and "unemployables."

3. The effort to spread available charity funds made relief jobs attractive, shortened hours and made relief work easier than essential work.

4. The effort to maintain an American standard of high wages, to be as generous as possible, boosted "charity wages" for usable but non-essential work until it has become pointless to risk losing those wages for a job at necessary production.

5. The forcing of a huge segment of our population to depend on taxation for existence played into the hands of machine politicians, quick to seize the new weapon for "delivering the vote," and to do everything possible to increase the power of that weapon.

These are the keystones in relief. But how do they affect the business man and his customers?

The National Resources Committee has issued a study of the income of American families for the fiscal year ending June 30, 1936, which gives the best answers.

It shows that more than half of all Americans not on relief received less than $90 a month to support their families, two-thirds less than $125; and nine-tenths less than $200 a month.

These people—those getting less than $200 a month—haven't yet begun to pay for relief. It's all borrowed money now. Yet business men already have begun to wonder what has happened to sales; workers insist wages are too low for existence; and farmers cry about low prices!

Relief isn't your problem? Oh, no!

Some one is supporting 20,800,000 persons at the least by the Government's most conservative estimate. That means that, if all families had the same income, the breadwinner for the family of six would be feeding one more person than he realizes; the young married couple, supplying one extra meal a day. And they are mouths of persons who are producing nothing to ease the burden of the breadwinner.

Unemployment created relief—but relief has created more unemployment. We all know the business crash threw men out of work. But there has been little or no business revival. Why? Let's reduce business to its simplest form and study it.

A handicap on business

BUSINESS is essentially exchange. One man raises wheat for bread. Another produces cotton for clothing. They trade. Government takes a little wheat and a little cotton to build a road so they can meet to trade.

Then one day a flood—or financial panic—ruins the cotton crop. The cotton producer looks to government for help. Government takes some money from several wheat producers and supports the cotton producer. Not as well perhaps, but the cotton producer learns to get along. Just to make him feel better about taking charity, the Government lets him work on the road a little.

Next year the cotton producer finds an excuse not to produce cotton. It's easier and apparently safer to work on the road. Since the erstwhile cotton producer's income is lower, he can't buy as much wheat. He may even be hungry, though not starving. The wheat producer loses that part of his market which is profit because of a wheat "surplus."

Now, the wheat producer can make more working for the Government. So he quits. Thus, both a cotton and a wheat producer become "unemployed." For years they supported each other and the Government. Now they're jobless, looking to the Government for help.

When 20,800,000 producers of wheat, corn, cotton, steel, coal, automobiles, or shampoos become dependent on government, they are producing nothing they can trade and do nothing to provide a job for any one else. Actually, they're forcing others down to their level.

Business in America will never get better as long as a job on relief is almost as profitable as production! Perhaps, in a complicated business structure, we must have some charity to care for industrial casualties, but that care should never be so luxurious as to encourage producers to quit, to eliminate themselves both as taxpayers and buyers.

"Luxury," you ask, "on relief?"

Well, something encouraged Arkan-

sas mountaineers to sell chickens, pigs, and cows to qualify for "relief" and the "high paying" made work jobs building roads. Some of these families lived for years on little or no cash income and couldn't understand that large sums of cash by the month didn't equal real income from gardens, poultry, and livestock. They gave up their capital voluntarily and now are fighting for more "relief."

Something brought cotton pickers into southern cities like waves of Biblical locusts. They watch every move of the relief director, but refuse to listen to their former employers who have cotton to pick—lest they lose relief.

They were low on the economic scale, that's true. But these are the same cotton pickers who supported each other for generations through the business machine. They created a boom every autumn in the used automobile markets of the South. They were poor. But they were far more prosperous than they'll ever be on relief.

But, it is one thing to see that:

1. Relief encourages more unemployment.
2. Charity under any other name is still charity.
3. That a realistic attitude toward relief wages and hours is necessary.

It is still another to suggest a method of procedure.

Relief is a problem in government now. Under our democratic system, all government is political. Name one man whose job depends on votes who is going to offend deliberately 16⅔ per cent of the population, which is the relief vote by the Government's own figures. *You* wouldn't!

Relief affects politicians

POLITICAL expediency created relief. We all demanded it. As more and more people became dependent on relief, politicians knew they couldn't oppose it until sentiment changed.

The next step was logical, the welding of relief agencies and clients into political machines. Did any one miss the significance of increased relief doles in Kentucky and Oklahoma just before important senatorial primary elections?

America has created something new. For the first time in history beggars are dictating how much benefactors shall give. Yet government relief will be stopped, either in an orderly or a disorderly manner. The major parts of the formula are simple—make relief unattractive and make it unprofitable!

Every relief official knows what will get relief clients back on private pay rolls. But few dare speak. They've all seen local charity treasuries run dry. They've all heard howls of voting paupers which brought politicians running like worried mother hens looking after goslings. They must hold their jobs, too.

We've made a start with longer hours for the same pay. Smaller handouts, wages commensurate with value of the work to the public instead of what some politician believes necessary to keep clients quiet, would make relief jobs unprofitable.

Such a program undoubtedly would mean hunger and hardship, but not starvation.

The program might even mean some temporary reductions in wages for productive labor which have been forced higher by artificial competition of relief financed by government subsidy. But even then, net wages, taxes considered, would be higher.

If men bestir themselves to get off charity there will be sound improvement in business. Men seeking jobs make jobs. Some set up small businesses, and then become employers. Others convince some employer that he should hire another worker at wages he can afford for a man who will work.



Wages commensurate with the value of the work to the public would make relief jobs unprofitable

Business increase means jobs. Jobs mean demand for labor. That demand means higher wages.

Getting back to our original analysis—as the cotton producer returns to raising cotton his ability to consume increases and business again spirals upward, creating more jobs at higher wages.

It's all a beautiful picture. But standing in the way is politics, the organized power of a minority which believes it is in the saddle permanently! Yet, the *appearance* of *permanency* is only illusion. Relief cannot continue to grow forever. It will end in one of two ways:

1. Orderly throttling of the political power of the relief vote.
2. Complete financial collapse of the American government with possibly armed revolt of the middle classes, and in any case, chaos much worse than the bank holiday in 1933.

Impossible? All right, the undisputed history of relief is growth. Borrowing cannot go on forever. Some one must pay taxes, funds raised by what the experts call "legal confiscation of property for support of government."

A strike against taxes?

SUCH confiscation presupposes permission of the owners in a democracy, and the might of the government in an autocracy. Which will it be when wage earners, business men, farmers, and laborers, refuse to pay?

Remember, there was such a well defined taxpayers' strike in 1933 that city and state governments forgot about penalties and, in some cases, original levies. Without taxes, how will bonds be met? If bonds are not met, how will banks pay out the deposits which belong to you and me which are invested in bonds? Yes, financial collapse is possible.

The United States was founded in revolution because of resentment over excessive taxation and seizure of property. Descendants of its founders showed no disposition to abandon tradition when Corn Belt farmers drove off sheriffs seeking to foreclose mortgages five years ago.

That period of 1930 to 1933 when a few hungry men raided grocery stores would seem like Heaven compared with the Hell which could result in America if the great, independent, middle class of this country ever decided it was tired of rule by a government which refused to take into consideration its rights and liberties, and outvoted it with "subsidized political machines," using its own money for that purpose.

Who but a reliefer must look out for reliefers, then? Isn't it about time some one suggested there are degrees of hardship as well as prosperity?

The bright part of the picture is, however, that the minority just appears to have control. In politics the tail usually wags the dog. It is the active, noisy, minority which gets things. Usually the dog, the majority, just goes along.

The relief machine is a first class tail. It is about time the "dog" considers an amputation to keep from being wagged to death. The operation is simple. Almost every state constitution decrees

(Continued on page 79)

Our Farm Lands

By RICHARD COLE



The supervisors visit the farms frequently and are required to make full reports as to what they find



In the beginning most of the company's business was in reconditioning run-down properties



Character and ability of tenants are checked carefully

A BIG business, in any man's language, is one in which more than $15,000,000 is invested, and approximately 4,500 people employed. Such, in effect, is the business managed by Cornelius J. Claassen, president of the Farmers National Company of Omaha. His company supervises the operation of 860 tenant farms, most of them in Iowa and Nebraska, with a few in nearby states.

Mr. Claassen's organization—now in its tenth year—has applied efficient business methods to tenant-farming so successfully that many of his clients who would have jumped at the first offer for their properties a few years ago now refuse to sell, and wealthy business men buy farms solely because the services of the Farmers National Company are available to them.

The head of one of the world's largest creameries walked into Mr. Claassen's office a couple of years ago and said:

"I'd like to have some information about your farm management service."

"Where is your farm located?" asked Mr. Claassen.

"I haven't any," replied the creamery man, "but if your service is even half as good as I've heard, I'm going to buy a couple of farms and place them under your supervision."

Today he owns several fine farms and they are not for sale, Mr. Claassen told me—at least at anything like the prevailing prices for farmland in that section.

Knowing the attitude of many business men toward investing in farm lands I asked:

What persuaded this unquestionably shrewd business man to put his money into a proposition which a good many investors have been avoiding for years?

Mr. Claassen replied:

I'm sure the gentleman knew that good fertile farm land is the safest of investments, provided that its fertility is maintained. He also knew that, if land can be bought at a *real* price, representing its earning ability over a period of years, and not a *fictitious* price based on boom conditions, it will be a profitable investment, too—provided, always, that the earning power is maintained by proper management.

Having this conviction, his investment problems were to find the right land at the

Can be Good Investments

EXPERIENCE on 860 middlewestern farms shows that, under good management, neither tenant nor owner needs further assistance



After first inspection of the farm, a complete report with plats of crops is sent to the owner

right price, and an assured method of managing the property after he bought it. Our organization represented the solution to both these problems. He employed us to guide him in his choice of farms, and then to operate them when purchased.

I think he was impressed by our system of farm records and the results they revealed. Not only was he astonished at seeing records as complete as ours, but the improvement in income shown, in so many cases, confirmed his own opinion that management is as important in farming as in any other business.

Let me show you some of these records.

The first records we examined covered operation of a farm in Story County, Iowa.

Mr. Claassen explained:

Notice that in 1931 the appraised value of this farm was $100 an acre, and in that year the net earnings were only one-tenth per cent. It was a year, you may remember, of fairly good crop conditions and low, but



The system owes part of its success to complete, business-like records



MCMANIGAL

For tenant farms crop-share rent is best. All cash agreements lead to milking the land rather than conserving it

not the lowest, farm prices. The next line shows the 1932 income as nine-tenths per cent, and this was the year of ten cent corn. Here is the income for 1934 which, in spite of a bad drouth, represented a net yield of 1.7 per cent.

Now, here is the significant thing. Under good management—1932 through 1937—including one year of rock-bottom prices and one year of severe drouth—the *average* yearly income figures out at $1,747.03, or more than four per cent net on the $100 an acre valuation. Yet for years previously the owners of this farm had received little more than enough to pay the taxes.

It was conditions like this among absentee farm owners, Mr. Claassen told me, that led to the organization of his company late in 1929. Some years before, when he was vice president of an Omaha trust company, a group of foreclosed farms which had been yielding the company little or no returns was tossed into his lap. In the next year, under practically identical crop and price conditions, he increased the income from these farms from $20,255.14 to $42,354.67.

This experience led Mr. Claassen to believe that organized farm management based on business principles was needed. When the opportunity arose, he stepped out of the banking business and founded his own organization. The principles upon which Mr. Claassen's system operates have nothing particularly to do with the technicalities of farming. They are merely the commonsense principles that underly any successful enterprise—knowledge of the facts, practical experience in applying that knowledge, efficient labor and alert supervision, all seasoned with good judgment. As he describes it:

Our system of tenant-farm management differs from that which it has displaced on our farms, chiefly in these respects:

First: we know what must be done to make a farm productive and keep it productive. There are few subjects on which there exists such a wealth of information as on farming, and there are few, if any, departments of industry in which valuable information is so completely ignored. Working through full-time, salaried supervisors who are themselves practical dirt-farmers, we see to it that the best agricultural practices are carried out on our farms.

Second: our system does away with the personal and often embarrassing contact between landlord and tenant, while it is free from the handicap of community influences and sentiment which frequently hamper the work of a local agent.

Third: our system of regular written reports stimulates effective supervision, and is a source of satisfaction to the landlord, too. Our supervisors do not bother the tenants, but their visits are frequent enough to keep them fully informed as to what is happening, and they are required to report each visit in detail. These reports are then forwarded to the owners, who, as a result, frequently find themselves knowing more about their properties than they had ever realized there was to know.

Continued inspections

WHEN a farm-owner turns his property over to Mr. Claassen's company, he signs a management agreement in the form of a simple application subject to 60 days' notice of withdrawal, which permits the company to exercise the necessary supervision over the property. The farm is then inspected and a complete, detailed report, illustrated with a plat of the crop fields, is sent to the owner.

If, as sometimes happens, initial inspection reveals the property has been so neglected that it would be unprofitable to continue operation, the company will not accept management. In any case, the "check-in" report gives the owner a complete picture of his property and also of the character, equipment and ability of the tenant. The supervisor's recommendations in regard to tenant, leasing, and future operation, as approved or amended by the head office, are included in the initial report.

Farms managed by the Farmers National Company are leased on a cropshare basis, with a cash rental for pasture land. Mr. Claassen does not believe in renting farms on an all-cash basis. He says it hampers supervision of the farming operations, and results in impoverishment of the soil. Human nature being what it is, a tenant faced with an all-cash rental is naturally loath to practice crop rotation so necessary if fertility is to be maintained. Cash rents encourage "milking" the land, to the subsequent damage of the owner's investment. Cropshare and 50-50 livestock losses are fairer to both parties.

The company's management fees amount to ten per cent of the gross in-

(Continued on page 78)



There is a growing list of tenants wanting "managed" farms where they can make more money



MCMANIGAL

If the farm is so badly run down as to be hopeless the company refuses to manage it

Heard in the Market Place

Tested Advertising . . . Tractors in the Garden . . . Bible for Sales Managers . . . Buying by the Almanac

Isolating the Selling Bacteria

HAVE you tried quizzing your friends to see how well they remember the companies or products sponsoring popular radio artists? It's a diversion that often throws surprising light on the effect or lack of effect of radio advertising. A frequent answer is that so-and-so "plugs somebody's coffee," or soap or tooth paste. The glamour boy or girl is remembered but the sponsor forgotten.

One of the major problems of any advertiser is to associate his name or brand with the benefits claimed from using the product, says W. S. Townsend of the Calkins & Holden agency, in a new book with the title, "Scientific Advertising." And it



isn't to be accomplished merely by reiterating the name in every sentence by the announcer or in every line of printed copy. Mr. Townsend cites a manufacturer of mayonnaise whose advertising unquestionably raised the consumption of mayonnaise but didn't do much for the company that paid for it. A study of cosmetic advertising disclosed that so much of it is in the same style that consumers do not readily distinguish brands.

Mr. Townsend and his brother are originators of the much-discussed Townsend method of evaluating advertising. They claim to have isolated the 27 principles or basic laws by which the selling horsepower of an advertisement may be predetermined. They do not agree with the late Claude Hopkins that 90 per cent of advertising dollars are wasted. They think it isn't over 50 per cent.

To the Townsends, selling may be made as scientific as production. Their researches indicate that the headline is generally underestimated as a factor, since some authorities have found that 83 per cent of readers do not go beyond the headline in their reading of ads. And yet, the author exclaims, this tremendously expensive space is often wasted in heads that convey no conception whatever. He deprecates the flip, clever heads that satisfy the copywriter's literary ego but mean nothing to large groups of readers. How many, for example, know anything about Picasso? And yet, "Like Finding a Picasso" ran in a periodical ad that cost thousands of dollars.

A Triumph of Statistics

UP to 1935 the shift of manufacturing industry from New England to the South and Mid-West had been very minor, according to tables included in the new Industrial Market Data Handbook just issued by the U.S. Bureau of Foreign and Domestic Commerce. From 1927 to 1935 the number of establishments in New England decreased by only .3 per cent of the total for the nation, and value of all products by .6 per cent. The Middle Atlantic states, including New York and Pennsylvania, dropped three points in total value of products. The South Atlantic states increased slightly and other sections retained approximately the same relative standings.

The Handbook includes complete statistical analyses of 169,111 manufacturing plants and 23,000 mines, as of 1935. They are classified into 280 industries. Figures on industrial production, employment, wages, value of products, cost of materials, fuel and power are broken down by states, counties and cities of more than 10,000.

Wholesalers and jobbers, retailers, service industries and transportation are not covered. Some of these are to be embraced in the census of business to be made next year. The book should be very helpful to marketers in planning their sales promotion activities and establishing quotas based upon potential sales. It may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D. C., at $2.50.



Old Dobbin Goes on Relief

HENRY FORD has a new $585 tractor said to have been built to compete with horses rather than other tractors. The new machine has an adjustable tread for both front and rear wheels enabling it to be used in cultivating row crops of variable widths, or in small gardens where even a horse would be awkward. Even more revolutionary is its hydraulic control system through which the plow or other implement can be controlled and regulated by the driver with finger and thumb.

The new tractor is being marketed in conjunction with several plow and cultivator units made especially for hydraulic control operation by the Ferguson-Sherman Manufacturing Corp. Harry Ferguson is the inventor of both tractor and implements and his company has charge of the distribution. The manufacturing will be done by Ford. Regular farm implement dealers rather than Ford dealers will be the local sales agencies.

Ford is not alone, nor even first, in the low-price tractor field. Allis-Chalmers brought out last year a model at $495. John Deere has one at $475. The small, highly mobile Minneapolis-Moline gas horse with a closed cab for the driver, described in NATION'S BUSINESS for January, sells at a much higher price.

Latest entry in the race to supplant work horses on the farm is International Harvester, which is now in production with a $515 model called Farmall-A. It has been announced in 60 farm papers.



Holiday Suggestion

HERE'S an idea for getting a better share of the Christmas retail trade. It was tried last year by a small store in a Mid-West town and is said to have worked.

This retailer got out his almanac in October, consulted its weather predictions for November and December and made up a calendar showing dates when rain or snow was predicted and when clear days were expected. Then he mailed post cards to a selected list of women with this message:

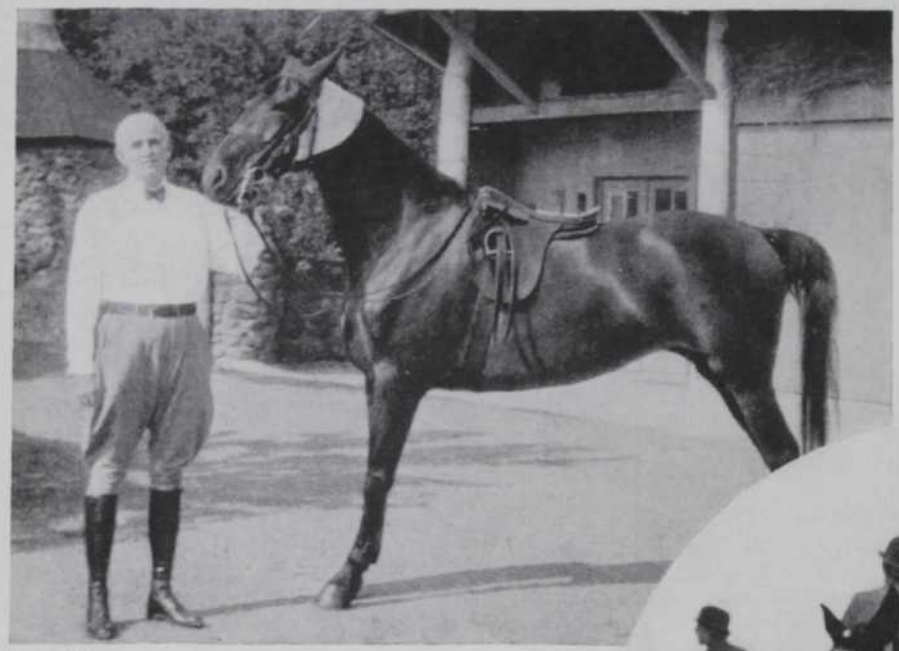
It will rain November 16
It will snow November 29
But it will be pleasant November 20
Do your Christmas shopping on the 20th at Blank's Store.

Dates were filled in on the cards and rotated so as to divide up the pleasant shopping days for the two months among the names on the mailing list. The stunt attracted a great deal of attention and helped to clear the shelves of Christmas stock. As the retailer had surmised, a large proportion of people are occult-minded. They kept their cards and checked the predictions, which generally "panned out," since weather prognostication has become a fairly accurate science.

GENERAL ELECTRIC is making a table model picture receiver with sound converter that can be used in conjunction with a radio to give the owner television reception at $195.

—FRED DEARMOND

Leaders in the March of Business



C. B. Warren



Samuel F. Clabaugh



W. H. Vanderploeg



D. S. Iglehart



Emmett F. Connely

C. B. WARREN heads the Warren-Norge Company, which is installing what is believed to be one of the largest orders for electric refrigerators ever recorded in the 5,710 apartments of the Red Hook and Queensbridge projects in New York area.

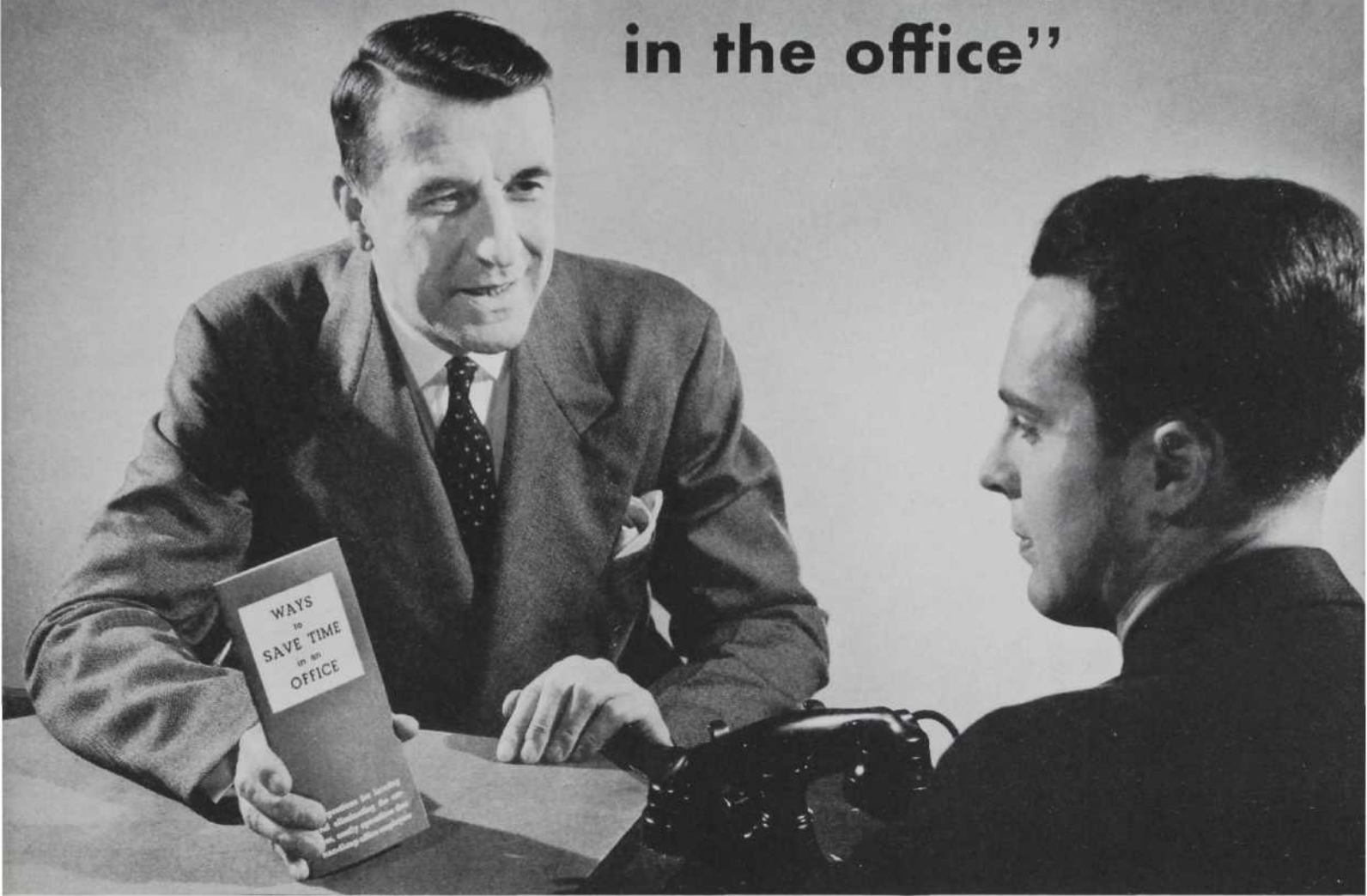
Samuel F. Clabaugh assumed presidency of Atlantic Life Insurance Co., Richmond, Va., Sept. 1. Formerly president of the Protective Life Insurance Company of Birmingham and executive vice president of the Southern States Industrial Council, he is widely known throughout the South. His new connection finds him with one of the oldest life insurance companies in the South, with $135,768,000 of insurance in force; with the first half of 1939 showing a 25 per cent gain over same period last year.

W. H. Vanderploeg recently resigned as vice president of Harris Trust and Savings of Chicago to become executive vice president and general manager of Kellogg Company, Battle Creek, Mich. He was born in Pella, Iowa, 51 years ago, entered a local bank there in 1906, went to Chicago in 1930 as president of a bank, and will now direct affairs of a concern doing a business of $31,000,000 a year in packaged breakfast foods.

D. Stewart Iglehart, president, Grace Line, who announced that his company was making fare reductions ranging as high as $50 between New York and west coast of South America. The company had previously announced the acquisition of two new cargo vessels and plans for building additional passenger ships.

Emmett F. Connely, president of the First of Michigan Corporation, Detroit, will be president of the Investment Bankers Association for 1939-40. During the past year he has been a leader in stirring up activity among the geographical divisions as a means of increasing effectiveness of the national organization.

"This booklet will help us locate the handicaps that slow up work in the office"



Thousands of executives are saving time and cutting costs by eliminating the handicaps that prevent employees from doing their work easily and quickly. These handicaps can be located only by a practical desk-to-desk survey that may reveal expensive bottle-necks, wasteful peak periods, unnecessary duplications of records and many other needless and costly operations.

To assist you in making such a survey in your own office, Burroughs offers you a booklet entitled "Ways to Save Time in an Office." It contains more than a score of definite and practical suggestions. You can get your copy by calling your local Burroughs office. Or write direct on your own letterhead.

BURROUGHS ADDING MACHINE COMPANY, 6000 SECOND BLVD., DETROIT, MICHIGAN

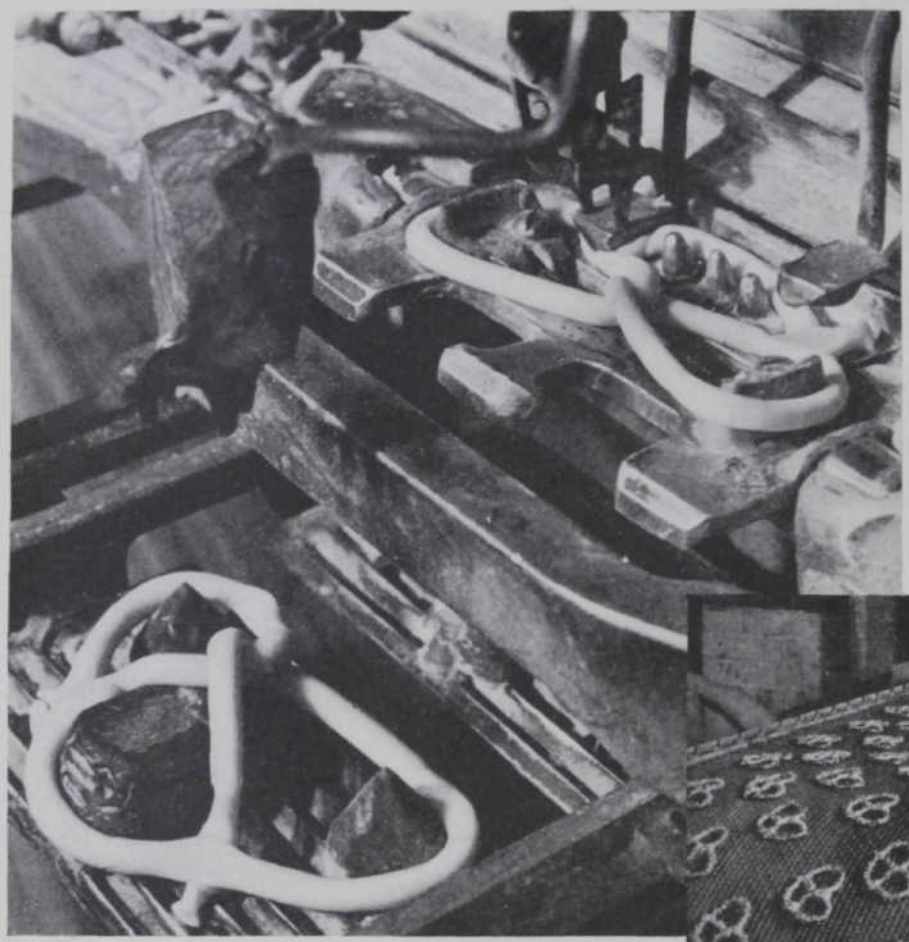
Burroughs

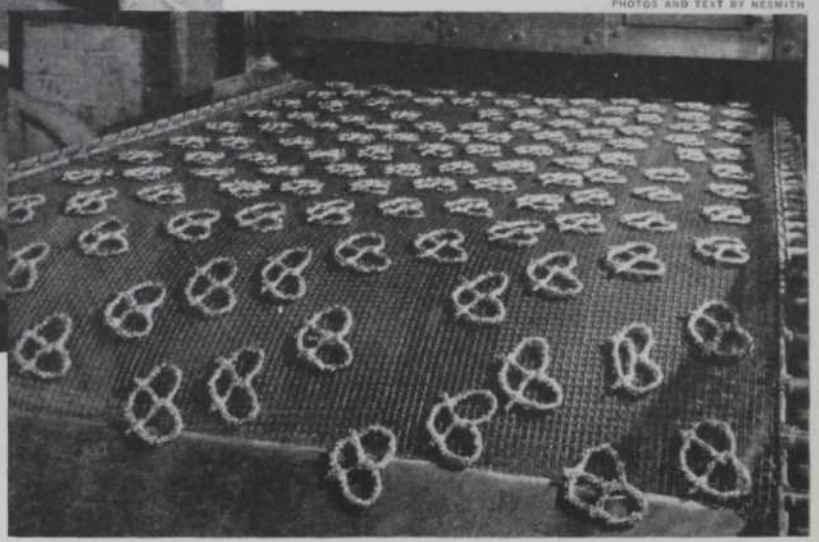
Steel Fingers Twist Pretzels



A skilled operator can form 25 pretzels a minute, but the machine can bend them 10 times as fast

PHOTOS AND TEXT BY NESMITH





The pretzel bending machine grasps the rope of dough with metal fingers and twists it into any desired form. Right: Pretzels are carried into and out of an oven on conveyor belts



Pretzels have appeared in almost every form into which a pencil length of dough could be twisted, tied or knotted, but familiar form shown here is most common

SIMULATING the human hand in complex manipulations has come to be common practice in the industrial field, but until recent years it was hardly to be expected that pretzel bending artists would ever have to face machine competition. However, ingenious minds went to work on the job as shown in illustration here and mechanical pretzel twisters can now be found in most of the bakeries in eastern Pennsylvania in the heart of the pretzel country. It still requires human hands and brains to control the machines but the knotting and tying of raw dough are done about 10 times as fast by machinery.

The ordinary pretzel contains only wheat flour, yeast, salt and water. The dough is mixed, kneaded and cut into small strips and rolled into stick-like form a little thicker and longer than a pencil. After it is twisted either by hand or machine, it is allowed to stand a few minutes so that the dough will rise. Then it is carried on a belt conveyor through boiling water to which soda has been added. Just before entering the oven the pretzels are richly sprinkled with salt which is baked on in the cooking process. Immediately after baking and toasting the pretzels are packed in air tight containers and are ready for market.

According to some who have delved into its history the name "pretzel"comes from a Latin word meaning "A little reward." Others declare that the word has the same derivation as the word "prayer." Modern pretzels often appear in a form that suggests a child at prayer with his arms crossed. Ages ago they appeared in the shape of large rings to be worn about the neck before eating and were supposed to keep evil spirits away. Sometimes they were hung on fruit trees with the expectation that they would help the trees bear fruit in abundance. And even today there is a popular superstition that breaking a pretzel ceremoniously will make a wish come true.

They've found a way . . .



ALL OVER THE COUNTRY there are people of modest means who are eager for the sense of security that life insurance can give them.

Yet many of these people cannot afford to buy Ordinary life insurance in $1,000 units, with premiums payable annually, semi-annually, quarterly, or even monthly. They have to buy life insurance just as they buy almost everything else—*in small amounts*—with premiums payable in small, frequent installments.

That is why these people are grateful for the special method of furnishing protection known as weekly-premium "Industrial" life insurance—insurance they can conveniently pay for because the premiums are due in modest weekly payments. In fact, it can truthfully be said that if weekly-premium life insurance were not available, millions of people would have no life insurance at all.

These people welcome, too, the added convenience of having a company agent call regularly at their homes to collect their insurance premiums.

The relatively small amount of insurance per policy, the special services rendered, and the additional fact that premiums are payable in small installments, tend to make weekly-premium Industrial life insurance somewhat more expensive for the company to handle, and therefore more expensive for the policyholder. The higher average death rate experienced among these people also contributes to a somewhat higher premium rate.

Metropolitan, however, is constantly studying ways of improving even further the efficiency with which this business is conducted. Throughout the years, consistent progress has been made in liberalizing the terms of Industrial insurance policies and providing more benefits for less cost.

Moreover, Metropolitan engages in extensive health activities in an effort to help these policyholders to protect their health and lengthen their lives.

Last year alone, Metropolitan paid, or credited as dividends, over $260,000,000 to its Industrial policyholders and their families. Surely such welcome funds, paid in time of need, bear testimony to the fact that millions of people have found a measure of security and peace of mind in Industrial life insurance.

COPYRIGHT 1939—METROPOLITAN LIFE INSURANCE CO.

This is Number 18 in a series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. Copies of preceding advertisements will be mailed upon request.

Metropolitan Life Insurance Company

(A MUTUAL COMPANY)

Frederick H. Ecker,
CHAIRMAN OF THE BOARD
Leroy A. Lincoln,
PRESIDENT
1 MADISON AVENUE, NEW YORK, N. Y.

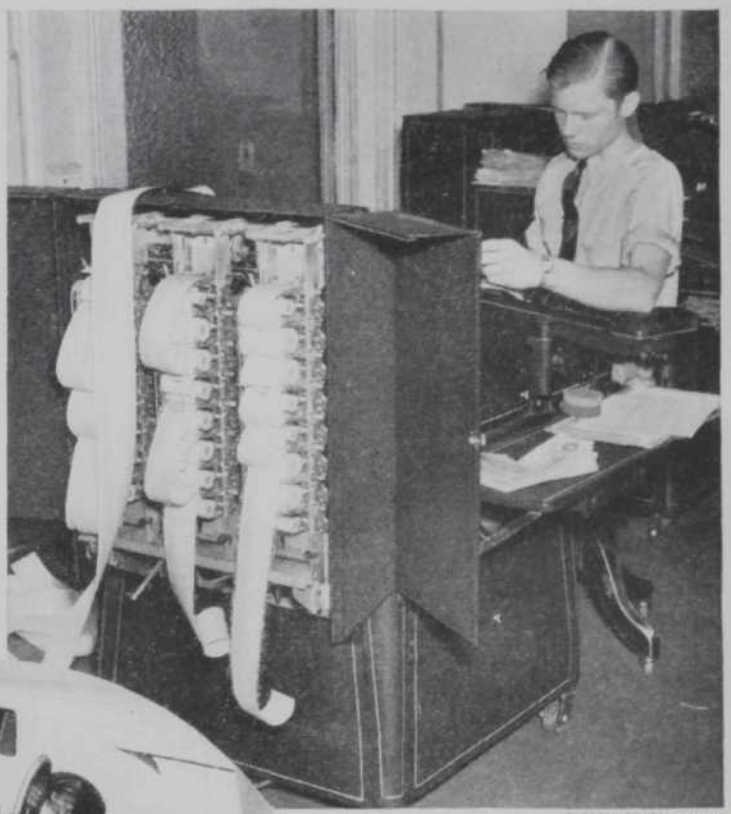
Modern Money Has Wings

By JAMES H. COLLINS



WARSINGER

Guarding against loss, each check is photographed



CARROLL PHOTO SERVICE

The proof machine sorts checks, adds the totals



Bank mail goes directly to the plane, by-passing the post office

BELIEVE that you still live in a free country, and prove it yourself.

Not by the Constitution, which is a bit abstract, but by as simple a thing as a bank check.

It has come to you from New York. You are in Los Angeles, and deposit it in a bank.

In a few days you have your money to spend. Or tomorrow, if you pay for a telegram one way. Of course, banks let a good customer draw immediately—but you are a stranger, and so must wait until your check is actually collected.

You might have told that to a German before the war! Or an Italian, or a Roumanian, or even a Londoner.

"Ah, that's a free country!" they would have sighed—though they might have said, "I don't believe it."

Before air mail, if you paid for telegraphic confirmation when the check reached New York, it took almost a week; if the check went by train, and the confirmation came back that way, ten days.

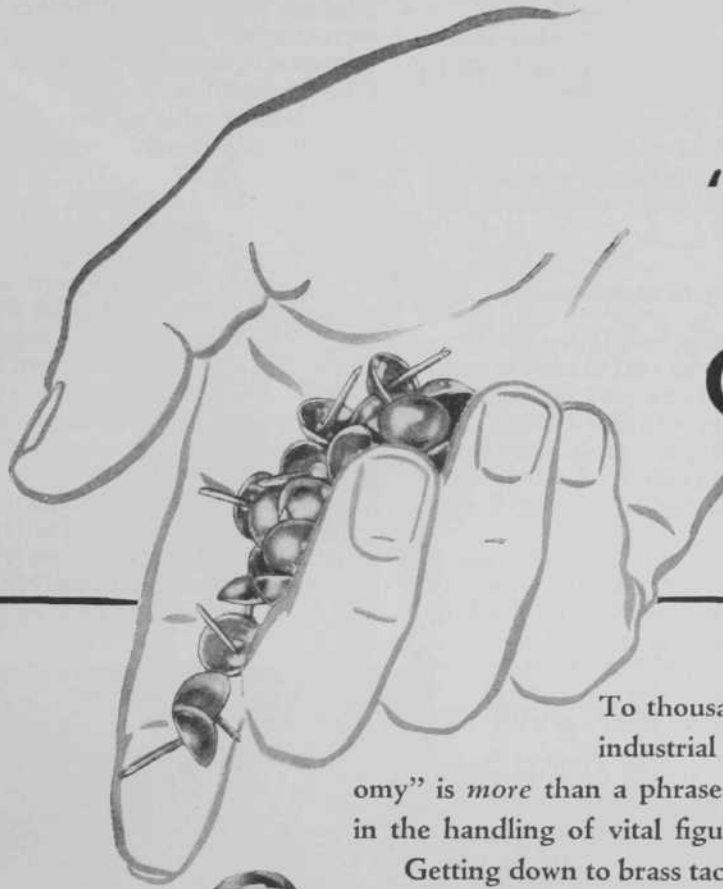
Then, as now, if you were known to the bank officers, you would pretty certainly be allowed to draw against such a check as soon as it was deposited.

In most European countries, even those whose areas are relatively small, there are usually long delays in obtaining funds for checks drawn on a bank in another city. The use of the check has not been highly developed in European countries and there are even burdensome delays connected with the clearing and cashing of checks in some of the large cities. When funds are to be transferred across a border, a whole new series of problems arises, particularly if there should be blocked currency in one or both countries.

In transactions between cities, gold must be shipped back and forth periodically to adjust the balances of exchange, while in our own country, with millions passing between our coasts, and all our cities, not even a paper dollar travels.

This puts a daring thought into the mind of the transit manager.

"We *could* demand the currency, you know!" he said—it is the transit manager of a bank who handles your check for air collection. "It would be a legal



MORE "BRASS TACKS" CONCERNING COMPTOMETER ECONOMY

To thousands of large and small concerns in *every* industrial and business field, "Comptometer economy" is *more* than a phrase. It is *a direct way to substantial savings* in the handling of vital figure work!

Getting down to brass tacks, here are statements from five concerns in five different fields, whose use of Comptometer methods ranges from *10 to 26 years*. We believe they are *food for executive thought!*

MICHIGAN HARDWARE CO., Grand Rapids, Mich., has used Comptometers for 15 years. "We handle *all* our figure work on 4 Comptometers, with an estimated savings of $3000 annually. We get a remarkable percentage of first-time accuracy."

BEAVER LUMBER CO., LTD., Winnipeg, Man., has used Comptometers for 25 years. "Our three Comptometers completely fulfil our requirements . . . save us money through remarkable speed and Controlled-Key accuracy."

HOUSTON OIL FIELD MATERIAL CO., Houston, Texas, has used Comptometers for 10 years. "Comptometers have saved us *many thousands of dollars* in time, and by elimination of error, in billing, costs, inventory, analyses and bank statement work."

GEO. J. GLOVER CO., INC., Contractors, New Orleans, La., has used Comptometers for 26 years. "We don't know what we'd do without our 3 Comptometers. . . . Controlled-Key and other exclusive accuracy safeguards are indispensable, save much time and money."

VANCOUVER TRUNK & BAG, LTD., Vancouver, B. C., has used Comptometers for 14 years. "Our single Comptometer, and the Comptometer Peg-Board plan, save us about $350 a year, and we have never required any other machine . . . extremely flexible and adaptable, fast and accurate."



Electric Model K Comptometer

Outmoded figure-work methods may represent the difference between profit and loss. What about *your* firm's "set-up"? For an intelligent demonstration of "Comptometer economy" (in your office), call your local Comptometer office . . . or write direct to Felt & Tarrant Mfg. Co., 1712 N. Paulina St., Chicago, Ill.

COMPTOMETER

Reg. U. S. Pat. Off.

right, and they'd have to send us the actual cash."

It looked for a moment as though the transit manager was going to be obstinate about this, and do it.

"But in fact, we never ask for currency," he admitted. "That's just a thought for your article. I guess there's no other place in the world where you can get money so quickly, without exchange or delay or collection charges."

Over our nation as a whole, there are localities where banks take off a little for exchange, sometimes a dime, again a quarter, to cover their expenses in check collecting.

But it's only a fraction of one per cent on most checks, and the vast majority of American banks now adhere to the Federal Reserve rule that a member bank must pay par upon the checks drawn on it, even if it does charge exchange, as interest and expense, for collecting a check drawn on a distant bank.

Nowhere in Europe can you do this with checks. Nor in the Orient, nor South America, nor Africa—not even in the British Empire, which is a crazy-quilt of currencies and tariffs.

What really happens to your check is something you could never imagine—you would have to see for yourself.

Banking is such a white-collarish business. Most of the depositors have no notion of the machinery needed by a bank, tucked away somewhere upstairs.

Machinery to move money

AND it is actual machinery, as complex and as fast as that needed in making factory gadgets, and changing as often to keep up with the times.

In one Los Angeles bank, your check will be photographed on movie film, with thousands of others, before it goes to the airplane.

In another bank, they will put it through a "proof" machine, specially designed for this work. The machine is about the size of a small upright piano, and makes as much noise as a vacuum cleaner, and as a clerk feeds your check in, with thousands more, and presses adding machine keys, this contraption drops it correctly into one of 24 compartments, and adds it on one of 24 slips in a long total of amounts.

No bronze grills up here, no marble, or white collars—not even a vice president!

A big bank's transit department looks like the city room of a metropolitan newspaper just as it goes to press.

Los Angeles bankers were sceptical about air transit for checks when the first direct air mail service was started there, in 1926, and mail flown in open planes to Salt Lake City.

"Suppose a plane crashes and the mail burns up," they objected.

But some mail burnt up whatever the form of transportation. Airplanes had a good record, air transit was tried and in a little while became so popular that Los Angeles sent and received 40 per

(Continued on page 64)

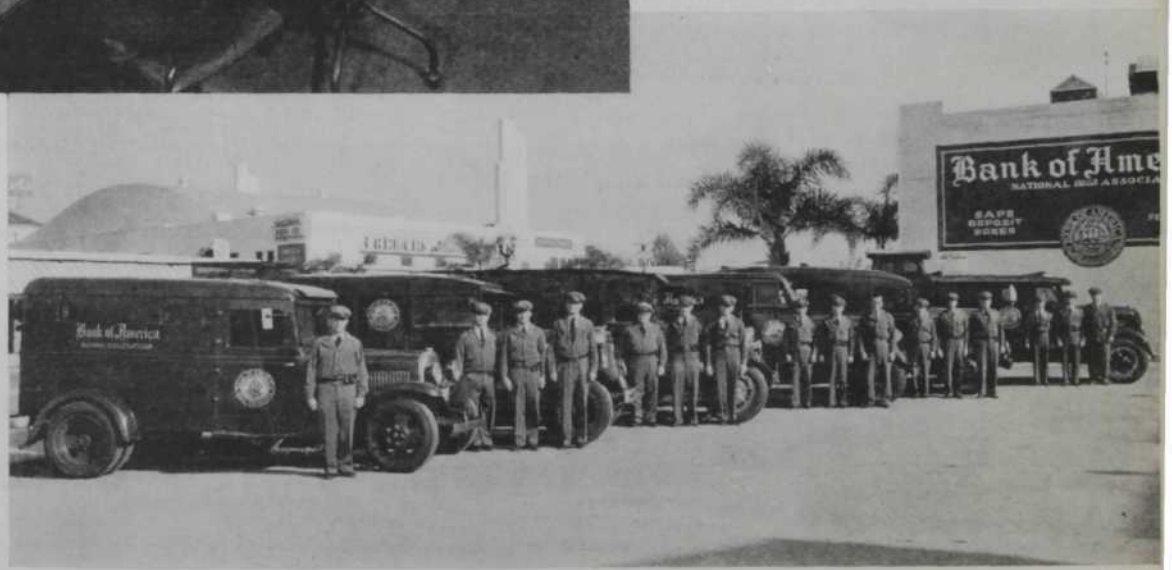


CARROLL PHOTO SERVICE

Once checks were counted, now they are weighed. Just as sure, saves time



"Proving Division" of a transit department. Here incoming checks are sorted



KEYSTONE

This fleet of armored cars speeds check service for one large banking house

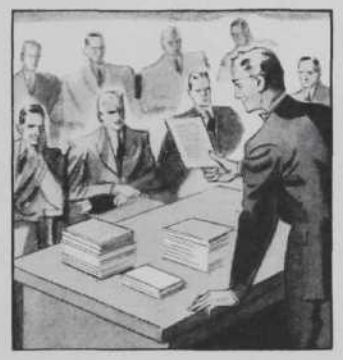
Now *everyone* around here is saying "Let George do it!"







George is in constant demand around the office. "Duplicate this, George." — "Duplicate that." And he always delivers the goods! Just last week Williams wanted several thousand dealer folders in two colors. George turned them out . . . just like that!



When we needed a lot of material for our sales meeting I showed George the list. Charts, bulletins, catalog pages, maps—about eight different things. "Can you handle some of these?" I asked. "Sure—all of them," said George. And he did!



What's more, George duplicates our letterheads and office and factory forms. You'd be surprised how much money we save in a year's time by "letting George do it." And there's an important convenience angle in doing the jobs right here in the office.



The quality of the work George turns out amazes me. You know how critical Stevens is. When I suggested he let George duplicate the Annual Report, Stevens was dubious. But he was mighty pleased when he saw the finished job. It was a knock-out!



No wonder everybody is giving me so many jobs to do. It's not because I'm such a wonder-worker—almost anyone can turn out good copies and lots of them if he has Multigraph equipment. I've tried a lot of ways of duplicating, but for turning out the kind of work you're really proud of, give me Multigraph!

LET YOUR *nearby Multigraph Man show you the latest developments in office duplicating—its new quality, versatility and economy. The listing in principal city telephone books is* "MULTIGRAPH SALES AGENCY." *Or if you prefer, write us direct.*

ADDRESSOGRAPH-MULTIGRAPH CORPORATION
Cleveland, Ohio
ADDRESSOGRAPH-MULTIGRAPH OF CANADA, LTD., TORONTO
Sales Agencies in Principal Cities

Multigraph **Multigraph Duplicator** **Multilith**

MULTIGRAPH and MULTILITH are trade-marks of Addressograph-Multigraph Corporation, registered in the United States Patent Office



There is a strange reluctance to pay for luxuries in public service

You Can't Have Pie at Cracker Prices

By THOMAS HOLLING

THE GREATEST conflict of opinion in municipal affairs arises out of the inconsistent position of citizens. Every one knows the hue and cry raised every year when the municipal tax rate is made public; and every one is equally familiar with the flood of requests made at budget time by groups of citizens seeking some specialized form of service.

It is the problem of reconciling these conflicting points of view which gives rise to many of the financial headaches which beset the municipal body politic today. Our taxpayers are quick to criticize their municipal officials for giving them what they consider a high tax rate. But they are equally vocal in their criticisms when a public official has the courage frankly to deny a demand for some new, specialized service the cost of which taxpayers are likely to ignore.

In this connection it is in order to stress the fact that many of the so-called gifts which our municipalities have obtained from federal and other sources might well be examined carefully because here, too, is a glaring illustration of the point I have just made. It seems comparatively simple to accept a grant for construction of a large city building. But it is a much more complicated matter when it comes to figuring out from year to year the cost of maintaining and operating the building resulting from the grant.

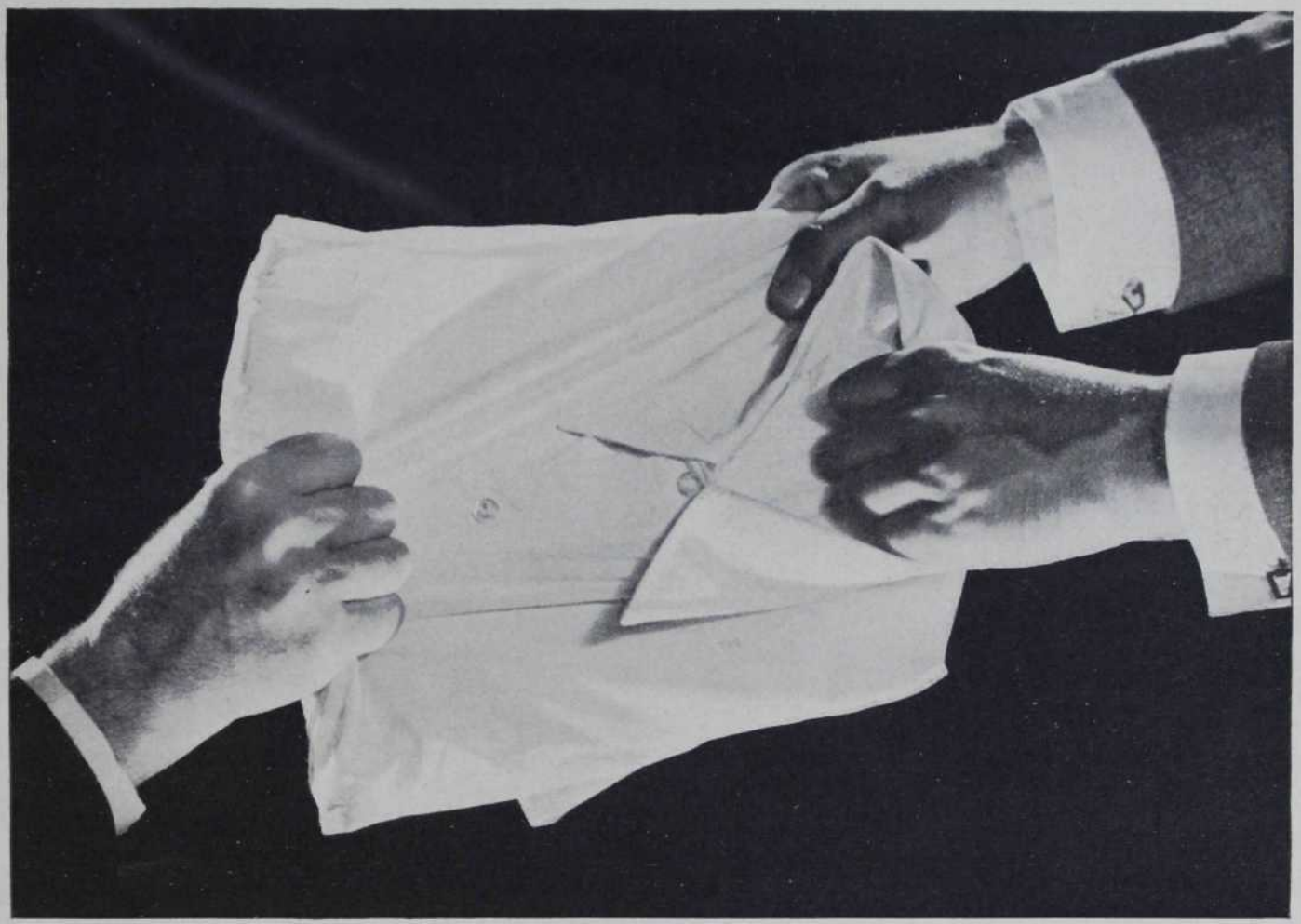
AN EXPERIENCED city official, tired of constant requests for more municipal service but lower budgets, makes a suggestion of his own

Many taxpayers have felt that their public officials should grasp every opportunity to accept grants and loans for new projects, entirely forgetting or overlooking the future carrying charge. In many municipalities, worthwhile public projects have been constructed with federal aid. But it is also demonstrable that cities have assumed unnecessary burdens as a result of careless planning for the future.

We have gone a long way from the kind of municipal government which even the last generation knew. It is not so many years since municipal service was limited to the primary purpose of protecting the life and safety of the individual. It is not so long ago that public education attained the proportions and expense of the system which we now support.

The most superficial glance at municipal government today, especially in the cities, compels us to realize the stupendous growth of this business of local government. We now have magnificent public libraries, elaborate

"*Unforeseen events*... need not change and shape the course of man's affairs"



HOW not TO LOSE YOUR SHIRT

When a friend asks you to go on his bond, be wise and say "No!" Too many men have yielded to the desire to be a good fellow, against their better judgment—and lost their shirts.

The financial liability involved in signing a bond is too grave a risk for any individual to take. It requires the exercise of safeguards developed through the years by institutions whose *business* is surety bonding. Only they are fitted—by experience, judgment and facilities for investigation—to undertake the job.

The Maryland issues judicial bonds for executors, administrators, guardians, trustees and receivers... and, in addition, all the forms required in court proceedings.

It is better for you, and for the friend who seeks your help, to let an insurance company underwrite such business risks. Maryland Casualty Company, Baltimore.

THE MARYLAND

The Maryland writes more than 60 forms of Casualty Insurance and Surety Bonds. Over 10,000 Maryland agents are equipped to help you obtain protection against unforeseen events in business, industry and the home.

swimming pools, palatial school houses, splendid playgrounds, expensive public halls, gigantic stadiums and athletic fields, to mention only a few of the newer services.

Luxuries bring bills, too

I AM not condemning any of these services. All of them are desirable, and some of them are necessary. The point I am making is simply this: The pattern of municipal government today must certainly be fashioned according to the financial measurements of the distressed taxpayers. No one is more desirous of extending the quantity and quality of municipal services than I am. I am most insistent, however, that this be done in strict accord with our financial ability to do so.

But we must be realistic. We all must realize that our people are demanding more and more service from their local governments. The first need is to teach the taxpayers that this continuous demand for luxuries in government must be kept within the ability to foot the bills. We cannot go on building new buildings, constructing new projects and enlarging old ones at the rate at which we have been going. There was a time when the officials of a city were known as the "city fathers." But if this demand for special services continues, we are going to be called on to act as father, mother and wet nurse, as well as valet to the citizens of our respective communities.

In private life we all seem to be willing to pay for what we get. If we enlarge our homes we expect to pay a contractor. If we want to get personal service, we expect to pay the maid, the butler, or the laundryman. There is a strange reluctance, however, to pay the piper when it comes to luxuries in the public service.

Every one has seen new recreational projects established which benefit only a small section of the community. The cost, however, of such projects is assessed against all the taxpayers of the community. Have you ever tried to assess even a small part of the cost of a recreational project to those who use it?

We are all out to get as much as we can out of local government, but we are all unwilling to pay a reasonable share of the cost. This selfishness has resulted in a great deal of criticism of local government. I believe that much of this criticism is unwarranted, and that an analysis of the cost of local government would disclose that much of the increased cost of the past 15 or 20 years is due in large measure to these new specialized services. As a matter of fact, with all its inefficiencies, local government still gives the greatest dollar for dollar value that anybody can buy in this country. Assuming that the tax dollar is honestly spent, I know of no place where anybody can buy education for his children, police and fire protection, sanitary facilities, library service, highways, and all of the many essential services which our municipalities provide, at anywhere near the cost *per capita* in effect today.

I wonder whether the taxpayer realizes how much it would cost to send a child to a private high school. He pays out of his city taxes in my city only about $75 a year per child in public high schools, which includes free text books, medical attention, recreational facilities, and so on.

How much would each taxpayer have to pay if he had to install his own water system and sanitary facilities? Those who live in rural communities know from experience the cost and trouble which accompany these services when the citizen has to provide them himself.

Those benefited should pay

WHAT I am pleading for is a sane conception of what municipal government ought to provide at the expense of the taxpayers in general. I would not oppose the extension of the luxury services if we could afford them. But if we cannot afford them and our people insist on having them, I favor a program under which those who receive the benefit would pay for these services, thus relieving the general taxpayers from this specialized demand from particular groups.

For instance, I can see no reason why a city should maintain an expensive auditorium for the benefit of private enterprise. I realize that a public meeting hall may not always be self-sustaining. I do believe, however, that every effort should be made to approach this as closely as possible. This can be done, but we will not do it, for one reason or another. The same is true of such services as airports,

(Continued on page 83)



If the demand continues, "city fathers" must also act as mother, wet nurse, and valet to the citizens of their communities



IT'S A GOOD INSTRUMENT TO USE BECAUSE BACK OF IT THERE ARE FRIENDLY AND COMPETENT PEOPLE SERVING YOU . . . ABOUT 300,000 OF THEM

BELL TELEPHONE SYSTEM



HE GAVE THE TOWN A NEW HOSPITAL

(so of course they hate him)

HE IS the most influential man in town and, if the truth were known, probably the most public-spirited. Yet, to hear some people talk, you'd think he was an anti-social schemer, exploiting his own labor, cheating the public.

When he built a clubhouse for his employes, someone whispered that it was just to get out of paying taxes. When he gave the town a new hospital, someone called it a tribute to a troubled conscience.

He is either too proud or too puzzled to combat these sentiments. He'd like to have his motives appreciated, but not explained. And so, as he pursues his policy of silence, the legends grow.

Such misconceptions are unfortunate for an individual—but they can be disastrous to a business. That's why an intelligent public-relations program is perhaps the one most vital problem confronting management today. And the companies that are investing in public-relations advertising are discovering that it pays a two-fold dividend—not only in making friends, but in making *sales*.

Take any two products of about equal quality and price, for example. People instinctively choose the one whose company is telling them the sincere story of its policies, its way of doing business.

And when such companies introduce a new product, they have a tremendous sales advantage in the confidence people feel in anything that bears their name.

Where can public-relations advertising do the most effective job? Well, last year the leaders in almost every major industry invested more of their public-relations budget in Curtis magazines than in all others combined. In no other way, they are convinced, could they be so certain of reaching the several million American families whose opinions govern the immediate future of their business.

The Curtis Publishing Company

The Saturday Evening Post ★ Ladies' Home Journal ★ Country Gentleman ★ Jack and Jill

Washington and Your Business

Yes-and-No Boys Talking

OLDTIMERS in the departments are prophesying out of both sides of their mouths. They say business is definitely better. Would have been better, war or no war.

"The country needs so many things, confidence or no confidence. War needs will pump the bellows." But they are afraid the United States business man will throw the South American game away. They say we have had chance after chance to cinch the S.A. business and we blow up in the seventh. We put things in kegs that must be packed on mules over the mountains. Nothing so destroys friendship as the movements necessary in tying a keg on a mule. S.A. was never so friendly as it is today. Query is whether the N.A. business man has the gumption he says he has.

Old Prophet Is Keeping Mum

IN good quarters the prophesy is heard that this will be a short war. Here's the reasoning:

Germany and Allies do not want to fight each other;

When Poland is crushed there will be nothing left to fight for except;

A, political control of Europe;

B, world peace.

Argument is that the peoples will not willingly die for politics and that world peace can best be achieved by not fighting. Practical conclusion is that it might not be good business to fill the house with war babies.

Looking on the Darker Side

UTILITY circles think they see evidences that the reform-or-bust-a-hamstring group hopes to move in under cover of war necessities and national defense and try again to put over some of the plans that had been dismissed. The utility people may just be frightened. The assurances by David Lilienthal that the T.V.A. will behave, now that it has swallowed part of the Commonwealth and Southern, gave general satisfaction, and in the more credulous circles it is believed the apple cart will continue to trundle unharmed. These circles likewise believe that the T.V.A. will consent to keep its books according to pre-Hitlerian standards in the future.

W. Willkie still Kicks the Gong

WENDELL WILLKIE, who had to accept the rape of the Commonwealth and Southern by his Government, but did not have to keep silent about it, observes that the net loss in state and federal taxes, thanks to government ownership, will be about $4,000,000 a year. He thinks this poetic thought will eventually get home to the taxpayers.

Moment in a Nation's Life

AT five o'clock on the day that Britain and France declared war the State Department was leaking steam at every rivet. Kennedy was on the phone from London, Bullitt was on from Paris, the White House was calling, some one in San Francisco was ringing constantly, Secretary Hull was using the intra-office magnifiers, and the telephone attendant spoke to the communications chief;

"Sorry, sir. A woman on the wire. Says she must speak to you. I do not know her name."

The communications chief snatched at the telephone. A lovely and familiar voice came through;

"When you come to dinner tonight, dear, I wish you'd bring a loaf of bread."

This is the Corcoran Corner

THERE are persistent rumors that Tommy Corcoran, the hottest do-or-die boy in the Administration, has been asked to go sit on a tack. Several of Mr. Corcoran's promotions in the field of national politics have flopped, and one fly ball muffed in that field usually means the showers. It should be noted, however, that Mr. Corcoran has made resilience an art.

Headaches and Not Handouts

IT IS within the memory of living man that whenever Secretary Ickes put his nose out of his office he was practically submerged by a wave of municipalities begging for easy money. Mr. Ickes gave like a Coal Oil Johnny, and no municipality ever read the fine print at the bottom of the contract which bound it to borrow enough money to finish the construction or finance the purchase of the utility it wanted. Now Mr. Ickes sits in a calm isolation that rivals that of the late Chief Tecumseh. He has found it necessary to notify nearly 100 recipients of federal bounty that, if they do not finish up their projects, the federal money will be withdrawn. Their taxes are coming home to roost.

This Department Did Its Best

THIS department recently noted that when Undersecretary of the Treasury John W. Hanes was feeling pretty low about the obstacles set in the way of his tax plan, he told his old mother in Ohio that he proposed to resign:

"You've got a job to do in Washington," said she. "Get on back there and do it."

Secretary Ritter of the Winston-Salem Chamber of Commerce writes that Mrs. Hanes is a North Carolinian and has never been in Ohio and he wants her returned. This department can only say that as a loyal Ohioan he would steal her again if he thought he could get away with it.

This is a Test for T. Arnold

REPORTED on good authority that Assistant Attorney General Arnold in his inquiry into building costs has run into evidences of the most appalling racketeering in union labor. If Arnold has his way he will present a factual statement to the T.N.E.C. It must be remembered that John L. Lewis, proprietor of the C.I.O., recently put his muzzle to the ground and in his most resonant bellow warned those interested in 1940's votes to give union labor nothing but the best of it.

Houdini Himself Couldn't Do It

SPEAKING of the T.N.E.C. and denying that there is any authority for this statement, it is reported that Senator-Chairman O'Mahoney of Wyoming is fretful about the man-

MANAGERS SEE MARVELS OF NEW CALCULATOR

Branch executives of U. S., Canada view demonstrations of improved office calculators

Members of 53 Remington Rand branches in the United States and six in Canada, meeting this week at the Buffalo Athletic Club, are spending their days learning all the high points of the three new business machines that the company has ready for the market.

As soon as they have mastered the mechanics of the inventions well enough to answer all possible questions about them, and have made an exhaustive study of what types of business can use them to the best advantage, they will introduce the machines to their branches and distribution will be started.

The Remington Rand Printing Calculator divides automatically and prints on a tape all factors of every division and multiplication problem. It is the first machine developed so to simplify the task of figuring in a business office. The other two machines are equally new in their performance.

It is the first time in the history of the company that three new machines have been introduced at the same time, and it also is the first time that all branch managers of the United States and Canada have met together.

Mathematical Machine Shown



One of the feature displays of the meeting of Remington-Rand branch managers, being held this week at the Buffalo Athletic Club, is the printing calculator shown above. The device lists, adds, subtracts, multiplies and divides, and provides a complete printed proof and record of all factors in every calculation.

DON'T miss the chance to get acquainted with the new Remington Rand Printing Calculator. Watch it divide *automatically*, multiply electrically and *print* the whole problem and answer on tape! It's the only machine of its kind on earth, and it is capturing the interest of executives everywhere. See it in action today at your nearest Remington Rand office!

Remington Rand Inc.

BUFFALO • NEW YORK

Canadian Headquarters: 199 Bay Street, Toronto

WORLD'S LARGEST MAKERS OF ADDING & BOOKKEEPING MACHINES, SYSTEMS AND EQUIPMENT

ner in which the federal departments moved in on his committee;

The congressional end of the T.N.E.C. tried to make an honest inquiry which would benefit business, but the departments packed the witness stand. About all the T.N.E.C. did was to throw mud.

O'Mahoney would not agree to that. But what with this and that he is reported to be not quite complacent.

Even Wagner Has a Murmur

EVEN Senator Wagner is reported as turning a warmer color when he thinks of certain officials. The Banking and Currency committee of the Senate will inquire into New Deal monetary, banking and fiscal policies in the coming session. Wagner will call on officials for facts but he does not propose to have them try to hand the committee a ready made policy. Other congressional committees seem to be moving toward the same position of independence. The "must" and "OK" days have passed.

Logan Thinks Bill Will Pass

THE truth of the final sentence in the preceding paragraph will be tested when the Logan bill to keep the dictocrats within the confines of law comes up for action. Senator Logan thinks it will be enacted:

The judiciary committees of both Houses have approved it and 80 of the 96 Senators have already voted for it.

But the Administration swung against it and the argument will be made that, with war going on, the authority of the federal agencies should not be checked. Logan says that argument is hogwash.

Soc. Sec. and Old Age Pay

THE La Follette amendment to the Soc. Sec. Act in the final days of the congressional session put another prop under the Townsend movement. This amendment made it possible for some persons who had only paid in $36 to draw $25 a month all the rest of their lives. The Townsendites argue that, in fairness, this liberality should be extended to all the other oldsters. The importance is that the Townsend plan will rise with a yell as soon as Congress goes into session. Remember that Senator Downey of California got 18 votes for his version of the Townsend plan—47 against—and some of the 18 are conservative as horses and buggies. 1940 on the air.

Just a Word to the Wise

A GUESS is that if the administrative law bill becomes law—see Logan, second preceding paragraph—there may be a change or two in the N.L.R. Board, but the law may stand about as at present. The theory is that what appears to be the present tendency of the N.L.R. Board members to go individual in a big way would be checked. Otherwise the N.L.R.B. law is likely to be drastically worked over. In spite of the addition of W. M. Leiserson, late of the Railroad Mediation Board, as an emollient, the Board is continuing to detonate.

Hard to Keep Up with Dictocrats

THE crossword puzzle business would blow up like a bomb if the reading public would get interested in the operations of our Government. Elmer Andrews, chief of the wage-hour, states that "the wage and hour law does not cover agriculture." Therefore those engaged in processing milk products in factories are not engaged in manufacturing and are exempt. But the N.L.R. Act does not cover banking any more than the wage-hour act covers farming. So the N.L.R.B. has asserted its authority over all banks, state and national.

Why Bump Against a Wall?

TREASURY information is that the next session of Congress will not bother with the question of tax exempt securities. A constitutional amendment would be necessary to prevent the issue of such securities in the future. Inquiry has shown that the states would not ratify such a proposal even if Congress were to make it. So why bother?

Put Your Money on Will Hays

CURRENT reports that Jimmy Roosevelt is slated for Deacon Hays' place as fuehrer of the movie business may be dismissed. In spite of the heavy build-up, Washington does not think Jimmy has quite sold himself to the magnates. On general principles they would not like Sam Goldwyn's choice. Jimmy was not able to keep Thurman Arnold from turning down the trade practice code submitted by the industry, and which was very near its big, warm heart. It is not known that Jimmy even tried. Also Will Hays likes his job, and knows how to keep it.

Another Straw in the Wind

EMIL SCHRAMM took the place at the head of the R.F.C. vacated when Jesse Jones went up to the head of the Federal Loans Agency. Mr. Schramm is, in financial matters, quite hard boiled. The first thing he did was to state his intention of following up the Jones policy of placing the R.F.C. loans and fixing its interest rates with regard to the character of the project. Banks do the same thing. Mr. Jones, it should be added, picked Mr. Schramm for his new job. He had been a member of the R.F.C. board. The pump-primers were considerably bored by these things.

Don't Worry About Jones

THERE is no doubt that they tried to "purge" Jones, and perhaps Schramm along with him, but they got nowhere. The Administration does not want any more unnecessary trouble on The Hill. It is a fair guess that future loans will be made by the Government with some reference to national solvency.

To Encourage a Small Business

THERE is a new and devilishly good ten dollar counterfeit on the market. Merchants may learn something to their advantage by writing Chief Wilson of the Secret Service:

"I am told," said a speculative member of the public to a Secret Service man, "that counterfeiters are quite unable to make as good a bill as the Government does."

"Nerts," said the S. S. man. "Why not?"

Streak of Good Sense

REPLYING to an inquiry from the National Board of Fire Underwriters, the Treasury has stated that, in the event of a fire in a bonded warehouse, the government lock may be broken so that the firemen may get in and go to work, even if the store-keeper gauger is not on hand. But one wonders what incident, arising from the maze of new laws and tangled rulings could have given rise to such an inquiry.

He Wouldn't Kid Mr. Morgenthau?

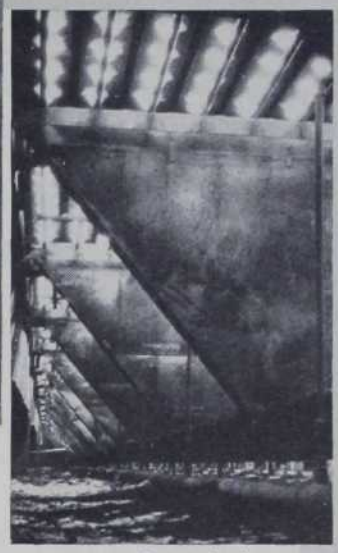
PAGE 9,595 of the *Congressional Record*. Congressman Engel of Michigan commented on a call for a bid on a dog treadmill issued by the Procurement Division of the Treasury:

For a mean dog weight of 22 pounds.



In the Texas Panhandle, under such spectacular smoke clouds, soot is produced commercially

Row on row of "Burner Houses" in a Texas Carbon Black plant



Tiny gas flames busily depositing Carbon Black upon metal surfaces

SOOT

Toughens Tires, Prints Papers, Shines Shoes, Paints Palaces

This little Santa Fe story is about Soot. For soot—our good housewives to the contrary notwithstanding—adds immensely to the comfort, joy and economy of living • Today, great plants deliberately and scientifically manufacture soot. They call the black, velvety powder Carbon Black. Carbon Black, in its several methods of production, results from the incomplete combustion of gas and is deposited by the actual contact of the flame upon a metal surface • Near the oil fields, particularly in the Texas Panhandle, myriads of tiny natural gas flames burn day and night against movable steel channels in hundreds of shed-like "Burner Houses." The Carbon Black is deposited on the steel. Removed by scrapers, it falls into hoppers, is borne by conveyors to packing houses, shipped far and wide by rail • Who uses all this soot? 85% of our Carbon Black production goes to the rubber industry. To it we owe the lightness, color, resiliency and vastly longer life of modern tires and rubber goods generally. Carbon Black improves our paints, lacquers and enamels; phonograph records, buttons, carbon paper and typewriter ribbons, shoe and stove polishes. We see it every day in the inks of our newspapers, periodicals and books • Thus Carbon Black—still just soot to most of us—enters vitally into modern living. Without it we would suffer in a thousand ways.



Carbon Black helped perfect these rubber tires that in turn help operate a Carbon Black plant



Nearly 80% of Carbon Black is packed in 12½-lb. and 25-lb. double paper bags, shown in this warehouse scene

• In 1915, our commercial production of Carbon Black was but 20,000,000 pounds. Today it exceeds 400,000,000 pounds, of which a good one-third normally is exported • Texas, and particularly the Texas Panhandle, leads the world in Carbon Black production. Loaded in smooth-walled, paper-lined box cars, or specially built tank cars, *more than 50% of America's total Carbon Black output is shipped annually over the Santa Fe Railroad.*



Bulk-loading in free-flowing pellet form. Annually thousands of cars of Carbon Black are shipped via Santa Fe

Santa Fe

XVI

Mr. Engel wants to know why the Treasury should try to limit a mean dog's weight to 22 pounds. He also wants bids for lines of trees and lamp posts on each side of the treadmill.

To Keep the Wound Open

WHEN Andrew Mellon was Secretary of the Treasury he once said to a friend:

A 14 per cent income tax on the highest brackets would suit business and bring in the greatest possible return to the government.

He supported this by evidences that business expands cheerfully at that rate, and contracts unhappily when the rate increases. So we come to Kenneth L. Roberts, author of "The Northwest Passage." Roberts was offered a hideously large sum to go to Hollywood and expert on the scenario for the film to be made.

"You can't do it," said his agent. "That would shoot your tax into a bracket so high that you'd lose money."

Maybe It Wasn't St. Petersburg

WHICH recalls the story of a Florida town years ago. The tax rate ballooned so high that the citizens were in despair. An expert was called in by some of the unhappiest:

"This is easy," said he. "Just get together and refuse to pay taxes."

The local rate came down and stayed there.

Teamwork Not Quite So Good

UTILITY people seem to like the appointment of Dr. Paul J. Raver as administrator of the Bonneville project, with a possibility that Grand Coulee will also be turned over to him. As a member of the Illinois Commerce Commission for six years he is credited with being businesslike and fair. The utilities took his appointment as evidence that the Administration's attitude toward the utilities is to be less belligerent. This hope is supported by half a dozen other incidents. Then the F.P.C. almost simultaneously put in a claim that the $50,000,000 electric rate reductions in recent years were due to its activities. The utilities say the credit belongs to them and to the operations of state regulatory commissions. The F.T.C. might look into the F.P.C.'s claims.

Troubles Ahead for Mr. Straus

ADMINISTRATOR Straus of the U.S.H.A. may ask that the date of Thanksgiving be moved back until he can get on good terms with Congress. Legislators who are usually listened to are betraying some uneasiness about the U.S.H.A. policy. The rents of the Lockefield Garden Apartments at Indianapolis have been cut so low that the Government must completely write off the development cost. That is not liked. It casts doubt on the self-liquidating probabilities of some of the other government projects. It is also urged that it is absurd for the Government to provide living quarters at the bare cost of maintenance for families in receipt of a fair income. It is also absurd to provide such quarters for families that are now on relief. There must be such a thing as a limit to U.S.H.A. kindness.

Cool on the Spy Menace

THE fear that beautiful women walking abreast will coax the inner secrets out of the Government's departments may be dismissed. The departments have no secrets that have not been printed in the newspapers and spies, old style, are about as dangerous as dog ticks. There is no doubt whatever that sabotage on a big scale may be practised if we get into the war, or if the sale of war materials abroad is on a broad enough scale to worry one of the belligerents. There are 20 boss sabateurs in the United States. It is thought they are all known to the authorities. They can be rounded up like horses in a meadow. Factory bosses should keep their eyes open for strangers, and their eyes peeled at all times. But they should not get excited. Nothing to worry about yet. This comes from the top flat.

"Kowtow to Great Yen-How"

SENATOR Key Pittman of Nevada seems to have been added to the list of statesmen who think there is an echo of Gilbert and Sullivan in some of our higher places. He has turned a blast on Secretary Ickes because of that "dictator's" refusal to permit Nevada to establish a state park of 12 square miles to control the site from which water for Nevada will be pumped from the Boulder Dam reservoir. Mr. Ickes seems to be thoroughly insulated, however. Senator Pittman did not even singe him.

No Comfort Here for Utilities

ADMINISTRATOR Carmody is showing a mailed fist, if reports from Alabama are correct. Carmody has some millions of R.E.A. money to lend for the construction of municipal electric plants. But he has notified Alabama's governor that he will not lend a split nickel unless the Alabama legislature repeals the Booth bill, which requires municipalities to make a fair offer to buy existing utilities before putting on bond issues to build public ownership plants. Alabama's legislators are reported to feel that this is an invasion of the state's rights calculated to make Alabamian blood boil. But they are compelled to reflect that Carmody has the money. The issue is in doubt.

Show-down is on the Way

IN reply to a direct question, Col. O. R. McGuire, counsel to the Comptroller General, stated that ranchers in some western states must get permission from the federal Government before turning their stock on the open range. This is unquestionably the salvation of the grass, but some congressmen think it is the ruin of states' rights. The matter promises to bulk large on 1940's agenda.

Utilities All Ready for War

UTILITY chiefs say that the industry will be equal to any possible demand in the unlikely but not impossible event that we may be drawn into the Second World War. Capacity in 1929 was substantially greater than the demand, and since then it has increased by 23 per cent. Much of this power, too, is now being used for the production of luxuries which would not be permitted in wartime. It is not believed Congress would support any radical scheme for government control, in view of these facts. Assistant Secretary of War Johnson has expressed complete satisfaction with the situation.

S.E.C. May Slacken Pace

IN view of the uncertainty in conditions due to the war, it is believed in well informed circles that the S.E.C. will go easy in its administration of the Holding Company Act. This is regarded as especially probable because of the cooperative attitude of some of the larger corporations. Voluntary realignments will be encouraged.

Herbert Corey

Pennsylvania means Business



Commonwealth of Pennsylvania

Governor's Office
HARRISBURG, PA.

To Industries Seeking
a Favorable Location:

Every schoolboy knows that Pennsylvania stands forth in the bright pages of American History from Colonial Days to the present decade as the leader among the States in industrial progress.

In my campaign I said again and again that Industry would find my Administration sympathetic to its problems and cooperative in seeking solutions. I repeat that assurance.

When Industry prospers, payrolls grow longer and pay envelopes fatter. Labor will benefit and I cordially invite it—and expect it—to join in this cooperative effort.

Arthur H. James

Governor of Pennsylvania



Arthur H. James
Governor of Pennsylvania

Mr. Businessman—
Things Are Happening in Pennsylvania

A STATE ADMINISTRATION with a friendly, sympathetic and cooperative attitude toward business, and dedicated to economy, is accomplishing results.

Confidence has been reborn—Pennsylvania factories are humming with activity—over thirty-two millions of dollars worth of new industrial construction has been started in Pennsylvania in the first six months of 1939—new industries have been born, existing plants are expanding. Today is the day of opportunity in the Keystone State.

Business, naturally, wants to locate in a State which has:

Cut Administration expenses 20%—Reduced State payrolls 17%—Reduced the number on relief (from January 1, 1939 to June 3, 1939) by 175,709 persons, most of whom obtained private employment—Created a Department of Commerce to assist the industries of the State to profitably operate and expand.

May we have the opportunity of telling you more about the industrial advantages of Pennsylvania?

FOR EXECUTIVES: Write today for your copy of the book, "Pennsylvania—Its Many Industrial Advantages." Address: Pennsylvania Department of Commerce, Harrisburg, Pa.



COMMONWEALTH OF PENNSYLVANIA

ARTHUR H. JAMES, *Governor*

RICHARD P. BROWN, *Secretary of Commerce*

No Business Can Escape Change

Despite ravages of war business continues working for the benefit of the public

1 • INK for use on glass or porcelain that is applicable with pen, brush, or stamp and is resistant to acids, alkalis, solvents and high temperatures is now available. It is made in red, white, blue and black.

2 • A NEW treatment for wood gives a high control over swelling, shrinking and checking of lumber due to absorption or loss of moisture. It can be applied by brush, spray, or dipping, does not discolor, or give odor. Treated lumber can be glued and given usual finishing treatments.

3 • A NEW flash lamp for photographers has a novel invisible safety jacket to check bursting and shattering. It is also protected against accidental flashing by contact with other bulbs or by static.

4 • FOR the salesman's prospectus there is a new book made of transparent envelopes into which photographs or paper is easily slipped, back to back. Sales material is protected, visibility is not impaired.

5 • FOR rooms with glass-block walls there is now a special ventilator, built in, which allows ventilation yet assures privacy. It's made of easily cleanable stainless steel, can be adjusted to any position, is rain-proof, and burglar-proof.

6 • A LOW cost motor base which maintains correct belt tension by adjustable springs is now available. Tension is quickly and easily adjusted or changed.

7 • A SEMI-PASTE paint remover is designed for removing synthetic resin finishes as well as paint, varnish, enamels. It has no benzol, acid, or alkali and has less flammability. An anti-evaporant keeps the remover active for several hours, if necessary.

8 • A NEW fumigant is readily applied to many foods and other products in refrigerator and box cars, warehouses or under tarpaulins. It is highly toxic to insect life, yet is absorbed only slightly by most materials.

9 • TRANSPARENT cellulose tape can be printed as it is dispensed from the roll by a new counter-top printer. The message is on the adhesive side and non-smearing. The printed message is changed instantly by changing the printing wheel.

10 • FOR small jobs of electroplating or for repairing plated materials there is a portable kit using electric plating brushes with either transformer-rectifier or batteries. The plating compounds are of jelly-like consistency and will not spill or run.

11 • A NEW aluminum paint with a special anti-rust compound can be used to paint metal without rust removal. It dehydrates and seals the rust and provides a protective coating.

12 • FOR collapsible tubes there is now an automatic dispensing cap with a spring closed valve. It opens under pressure and closes automatically. Ordinary knocks on the tube do not open the cap.

13 • A SELF-FILLING pen and ink set has a non-flooding glass reservoir built in the attractive plastic well. The pen point is stainless steel and easily replaceable.

14 • FOR converting direct current to alternating current there is a new vibrator inverter. It is said to have long life due to elimination of arcing and to operate at an almost constant frequency of 60 cycles. It's adaptable to work from six, 32 or 110 volt current.

15 • A BOOKKEEPING machine of high speed has been developed to post an original ledger and original statement, prove figures on both records, and provide a journal—all in a single fast operation.

16 • STAINLESS clad steel sheets and plates are now made by a new process assuring an oxide-free weld between the stainless cladding and the mild steel backing. They are said to work easier than solid stainless and can be spun, deep drawn, or twisted without any separation.

17 • A NEW face shield for workmen has interchangeable parts so that a screen, fibre with glass window, or transparent plastic may be quickly fastened on according to the particular type of work being done—welding, polishing, casting.



21 • A TABLE top electric cooker that solves cooking problems in cottages, camps, trailers, as well as kitchenettes, is medium priced, light weight, well insulated. It's available with one or two burners.

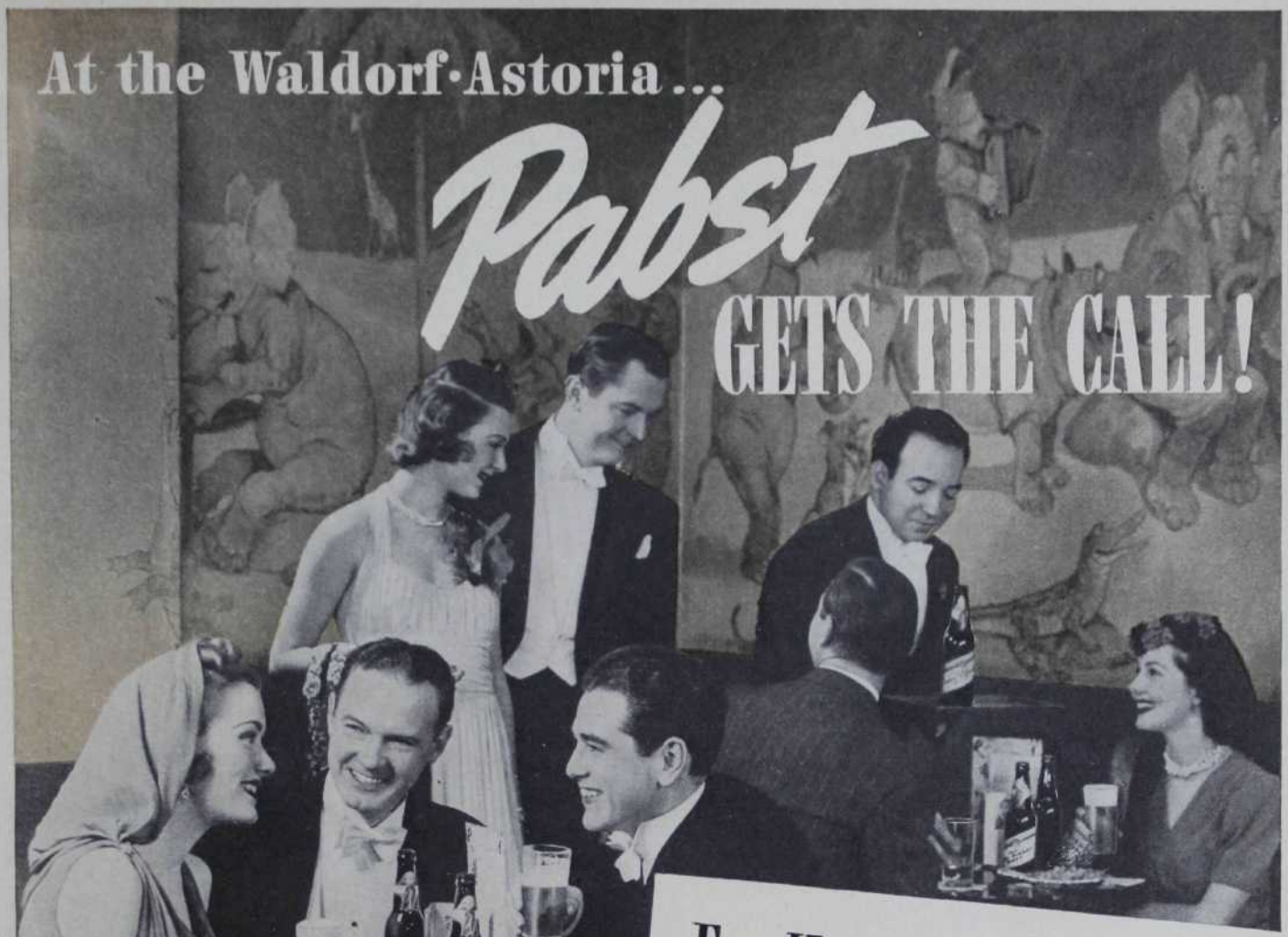
18 • FOR lighting aisles in stock rooms a new lighting fixture using fluorescent tubes gives even lighting from top to bottom shelves on both sides of the aisle, yet has no direct glare in the aisle itself.

19 • FOR printing press tapes running where they can catch fire, there is a flameproofing compound that saves delay and damage.

20 • A SIMPLIFIED but detailed system for keeping accounts has a cash drawer connected with a register so that the drawer will not open until the register forms are ejected. The combination is set on a small safe and file drawers and is at a convenient height for writing.

—W. L. Hammer

Editor's Note—This material is gathered from the many sources to which Nation's Business has access and from the flow of business news into our offices in Washington. Further information on any of these items can be had by writing us.



For Keener Refreshment

It's Lighter! It's Brisk-Bodied, Not Logy!

● THE WALDORF-ASTORIA IS ONE OF NEW YORK'S ULTRA-SMART MEETING PLACES . . . where the fashionable world refreshes and rejoices with famous Pabst Blue Ribbon. And you'll find Pabst Gets the Call in smartest hotels, restaurants, lounges and clubs right across America.

Yes, keen judges of fine living pick Blue Ribbon as *the* Beer of Quality. They prefer its lighter, brighter, more thirst-quenching character. They know it *keeps* you on the keen side. This master-blended formula is a Pabst secret with a 95-year tradition. You won't find it in any *other* beer. So demand Blue Ribbon and treat yourself to the golden goodness you *never* tire of!

Copyright 1939, Pabst Sales Company, Chicago





In America's Homes, too, Pabst Gets the Call!

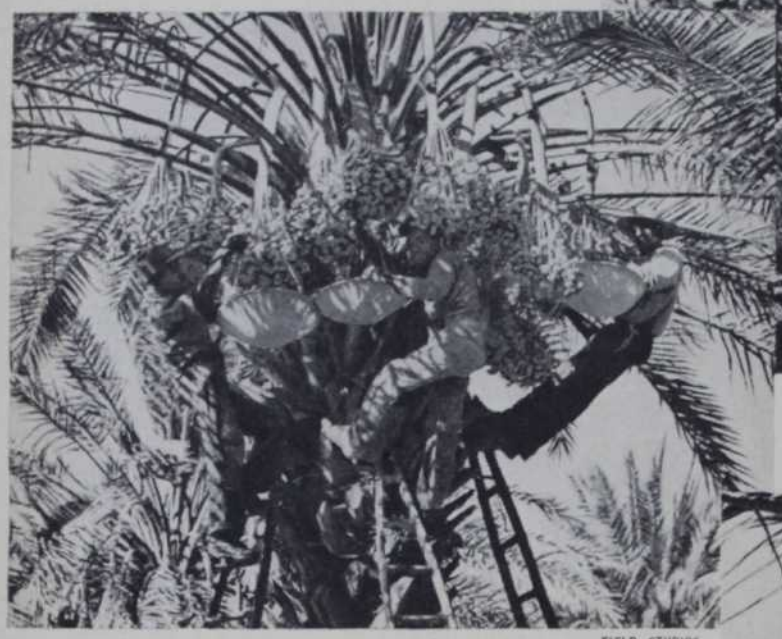
From coast to coast, Pabst is first in America's Homes! This overwhelming preference by family and guests is the truest measure of popularity—won by 95 years of Pabst quality. Order Pabst Blue Ribbon today. Your choice of bottles or handy, space-saving cans.

Perk-up with **Pabst BLUE RIBBON**

Candy That Grows On a Tree



On these young trees the fruit hangs low, but it is not unusual for a tree to attain height of 100 feet



Harvest time atop a date palm comes about 25 times a year

FIELD STUDIOS



DEWEY MOORE

Dates do not ripen in a bunch; require frequent picking during long season

THIRTY years ago, there was less than one American date to every million imported; today, there is one date that has ripened in the desert sun of the Coachella or Salt River Valley for every dozen brought overseas from the Levant, and it is within reason to look forward to a time when practically all of the 70,000,000 pounds of dates annually consumed in the United States will be grown on American soil.

The date's relation to its grower is the most intimate of agricultural relationships. The palms were created male and female. Down through the centuries no insect has ever performed the necessary task of pollination. The work has been left for man to perform and today men may be seen dusting the female blooms with powder puffs of pollen, or tying sprigs of the male blossom among the female buds.

To add to the general complexity of date culture, no date that grows from seed is ever true to type. Instead, at the age of five years, the palms begin to raise a family of offshoots. A thriving tree will produce ten to 20 daughters, worth from $3 to $5 each. A male palm will produce sons in the same manner. With both, the propagating period is comparatively short, ending when the tree is 15 to 20 years old. Fruit bearing, however, continues for at least 200 years, quite probably longer, and a century-old date palm is barely in its prime.

Dates do not ripen in a bunch like grapes. Instead, each bunch must be picked over from 20 to 25 times during the harvesting season which runs from September to January. The palms may attain a height of from 80 to 100 feet. In practice, the palms are usually taken out at a height of 50 feet, for above that height the expense of constructing picking platforms and ladders becomes too great.

There are probably a quarter-million date palms growing today in the Coachella and Imperial Valleys of California, the Salt River, Yuma, Casa Grande, and a few other southern valleys of Arizona. They are generally planted 30 feet apart, with one male palm to each planting of 50 female trees. It requires six years and between $2,000 and $3,000 to bring each acre of palms to the point where they begin to yield some return.

The date is a natural confection, preserved in its own sugar. There is about 75 per cent of sugar in a date, so much in fact that the fruit is not damaged by below freezing temperatures.

American dates are harvested, graded and packed under the most pleasing sanitary conditions. Cleanliness is desirable but it is also expensive. Irrigation is costly when, as in the Coachella Valley, the water is pumped to the surface from deep wells, but when the canal system is completed, water will be cheaper although it will still be costly in crop production.

There are also natural hazards. A light rain that would do practically every crop good is ruinous in a date garden during the long harvest season. High humidity may have a similar effect. The moisture causes the thin skin of the ripening dates to break, mold follows, and the fruit is lost. By way of protection, paper "raincoats" are attached to all date clusters in late summer and remain on the clusters until harvesting is completed.

—C. K. PRIEST



Through more than one hundred laboratories of the Sealtest System of Laboratory Protection, Sealtest Scientists co-operate constantly with Public Health Authorities to improve the quality and safeguard the purity of milk, ice cream and other dairy products.

The Sealtest System of Laboratory Protection was formed by an affiliated group of leading dairy and ice cream companies. It is the largest laboratory organization ever formed for the protection and control of dairy products.

The Sealtest System maintains more than one hundred laboratories. It employs some of America's leading food scientists and hundreds of laboratory technicians. These experts are constantly striving to develop new safeguards and to improve quality. They are ceaselessly testing, checking and supervising the dairy products of member-companies.

Why? So that millions of families may have this *assurance* of quality, purity and wholesomeness when they buy milk, ice cream and other dairy products—the assurance that comes from an added co-operation with the health department officials of their communities.

In thousands of communities, the leading milk and ice creams are produced under Sealtest supervision. These products bear the red-and-white Sealtest Symbol as evidence of Sealtest approval.

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MAN TO MAN in the MONEY MARKETS

By CLIFFORD B. REEVES

War and Financial Markets

WHEN war came in 1914, the New York financial markets were caught unprepared. As a result, the shock of uncontrolled liquidation forced a closing of the Stock Exchange, and subjected the banking system to severe strain.

Determined that this should not happen again, the financial community, in the weeks before the recent outbreak of hostilities in Europe, was busy perfecting plans for safeguarding the country's financial structure. All of these precautionary measures were initiated voluntarily, under private leadership and without pressure from the Government—a clear indication that private leadership still exists if it is given an opportunity to assert itself.

Elaborate plans were worked out to protect the prices of listed securities, over-the-counter issues, foreign exchange, government bonds, and commodities, and to control the "dumping" of American securities by foreign holders.

A general advisory committee was organized to consult with the Federal Reserve Bank on all financial problems that might arise. On the committee are representatives of the banks, investment houses, brokerage firms, insurance companies and other types of financial institutions.

Another special committee, representing various classes of firms interested in foreign exchange, will try to curb currency speculation and promote stability in the foreign exchange markets. Representatives of foreign banking agencies are included on this committee, which is also cooperating with the Federal Reserve. For protection of the American dollar in exchange markets, the Government's stabilization fund of $2,000,000,000 can also be used.

Stock Exchange officials conferred with the Federal Reserve Bank of New York and with the S.E.C. on plans for cushioning liquidation and price fluctuations. Although nothing has yet been announced, it is understood that, if necessary, limits may be placed on the price changes permissible on any day's trading. This plan has already been followed with some success in the commodity markets.

In the matter of unlisted securities, which are not traded on exchanges, leading organizations of investment dealers have promised cooperation in discouraging speculative activities that might damage the price structure.

Commercial bankers met to discuss plans for control of price fluctuations in the government bond market. The great bulk of government securities is held by a relatively small number of financial institutions. Best estimates indicate that about 300 institutions hold government bonds worth $10,000,000 or more, and cooperation among these large holders is expected to prevent any demoralization of the market. Open market operations by the Federal Reserve system will also be used as a method of control, and leading government bond dealers have agreed to report any important selling orders placed through them, so that sources of liquidation can be detected.

Bankers also discussed the possible problems of cash withdrawals, particularly by foreign depositors. Bank deposits for foreign account jumped from $332,000,000 to $608,000,000 in the past year, but with cash holdings of the banking system at record high, no serious problems should result. Moreover, a secondary cash reserve is provided by the banks' holdings of government bonds which, regardless of market prices, can be discounted at the Federal Reserve at face value.

Provisions are also being made to prevent any dumping of American securities now held by foreigners. Foreign investments in the United States now total close to $8,000,000,000 of which nearly $3,000,000,000 represent British and French holdings. It seems unlikely, in the light of past experience, that long term investments held by foreigners will be suddenly dumped on the market. Great Britain, in fact, has made liquidation of the American holdings of British citizens impossible by forbidding sales, and requiring investors to report their holdings to the Bank of England. The intent of this decree is to mobilize such assets so that they may be used, if needed, as the basis for credits for purchases by the British Government in this country. The orderly liquidation of such British holdings is thereby virtually assured.

Underwriting by Private Sale

ANOTHER NEW method of corporate financing that circumvents the usual investment banking machinery and obviates the need for registration with the S.E.C., was devised by the New York Power & Light Corporation when it recently issued $66,000,000 of refunding bonds.

The issue was not sold to the public, but was offered in exchange to holders of the company's outstanding bonds. In an exchange offering of this type, the usual procedure would be for the company to have the offering underwritten by an investment banking syndicate which would agree to take any unexchanged balance of the issue, thus assuring the success of the issue regardless of how many holders accepted the offer of exchange.

In the case of the New York Power & Light issue, however, nine insurance companies agreed to purchase the unexchanged balance up to a maximum of $41,000,000.

The S.E.C. ruled that, under such arrangements, registration of the issue was not necessary. The offering of refunding bonds to holders of existing bonds does not constitute a public offering, and the absorption of the balance by a limited number of insurance companies was construed to be a private sale. So the New York Power & Light Corporation was able to avoid the expense, trouble, delay and liabilities of registration, and at the same time have its issue "underwritten" without resorting to underwriters.

Investment bankers, astonished that the issue should have been exempt from registration, claimed that the insurance companies in this case were clearly acting as underwriters. They pointed out that they were not buying a definite amount at private sale, but an entirely undetermined amount just as an underwriter does. Moreover, the bonds to be taken by the insurance companies bore a higher coupon rate and a shorter maturity than those to be received by bondholders who accepted the offer of ex-

(Continued on page 72)

Tremendous Power made Flexible...

... that's Rotogravure!

• Not long ago, over the flat plains of the Mid-West, soared the greatest radio tower in the world. Built to cover the country, it was a truly dramatic example of power made flexible. For from it, programs could be broadcasted to homes all over the continent and, with equal facility, secret instructions could be transmitted to individual police cars.



IN THE ROTOGRAVURE Sections of Sunday Newspapers, every American business man commands a tool that is no less powerful, no less flexible than the famous radio station pictured here.

By means of rotogravure, it is possible to cover the nation so completely that you can put a sales message into better than one out of every two homes! Or by means of it, you can select and concentrate on any single city, area, or zone that you will, and get parallel coverage.

Under today's business conditions, advertisers who buy space because they want sales, not prestige or glamour, are so alert to the opportunities this unique combination of power and flexibility gives them that 56 new names have been added to the list of rotogravure advertisers since the first of the year.

For details on the cost of using rotogravure and facts concerning the Gallup Research Bureau's evaluation of it, call on Kimberly-Clark. Because in addition to manufacturing Rotoplate, Kleerfect, and Hyfect—three of the most widely accepted rotogravure printing papers—the Kimberly-Clark Corporation maintains a bureau of statistical information and a trained technical staff for publishers, printers or advertisers faced with any problem arising over the use, preparation or printing of rotogravure copy. Please address your request to Kimberly-Clark Corporation, 8 S. Michigan Avenue, Chicago, Illinois, Advertising Department.

Even busy Mothers find time to read Rotogravure Advertising

IS YOUR BABY *worth 60 Seconds of Your Time?*



For your baby's sake, give us just a minute to impress this fact on you: *Not all strained foods are the same!*

Remember that Gerber is not only a specialist in strained foods for baby but an authority. Reports of Gerber investigations on canned strained foods have been published in leading medical journals. We ask you frankly —What other maker can give you such assurance that his product is *best* for your baby? Be sure to ask your dealer for Gerber's.



Gerber's
BABY FOODS

APRICOT AND APPLE SAUCE . . . BEETS
CARROTS . . . CEREAL . . . GREEN BEANS
LIVER SOUP WITH VEGETABLES . . . PEAS
PRUNES . . . SPINACH . . . TOMATOES
VEGETABLE SOUP

MOTHERS AND EXPECTANT MOTHERS!
Send For This Book Today!



Contains authoritative information on baby's care feeding and training, written in a short, simple way by Harriet Davis, R.N. Sent for 10¢. Address Gerber Products Company, Dept. 1711, Fremont, Michigan. *The Baby Food Capital.*

Gerber's



for baby

GERBER PRODUCTS COMPANY.
FREMONT, MICHIGAN

DAN F. GERBER,
VICE-PRESIDENT

March 20, 1939

Kimberly-Clark Corporation
8 So. Michigan Avenue
Chicago, Illinois

Gentlemen:

Although our problem has been to reach a certain cross section of the national market, namely the mothers of babies under two years of age, we felt it desirable last year to place special emphasis on certain metropolitan markets. For this purpose we chose the roto-gravure section of selected Sunday newspapers as we knew the high readership of these sec-tions by mothers and the fact that a busy mother would look at the roto section even if she did not have time to read anything else.

I believe our selection was well justified in-asmuch as sales in these markets immediately showed substantial improvement. Our belief in this fact is further confirmed by our present schedules which call for a continuation of this type of advertising.

Very sincerely,

Dan Gerber

Dan F. Gerber H

More for your money in Rotogravure



Strained Cereal Spinach Carrots Prunes Tomato Green Beans Vegetable Soup Beets

Kimberly-Clark Corporation

Established 1872 • Neenah, Wisconsin
67 Years of Service

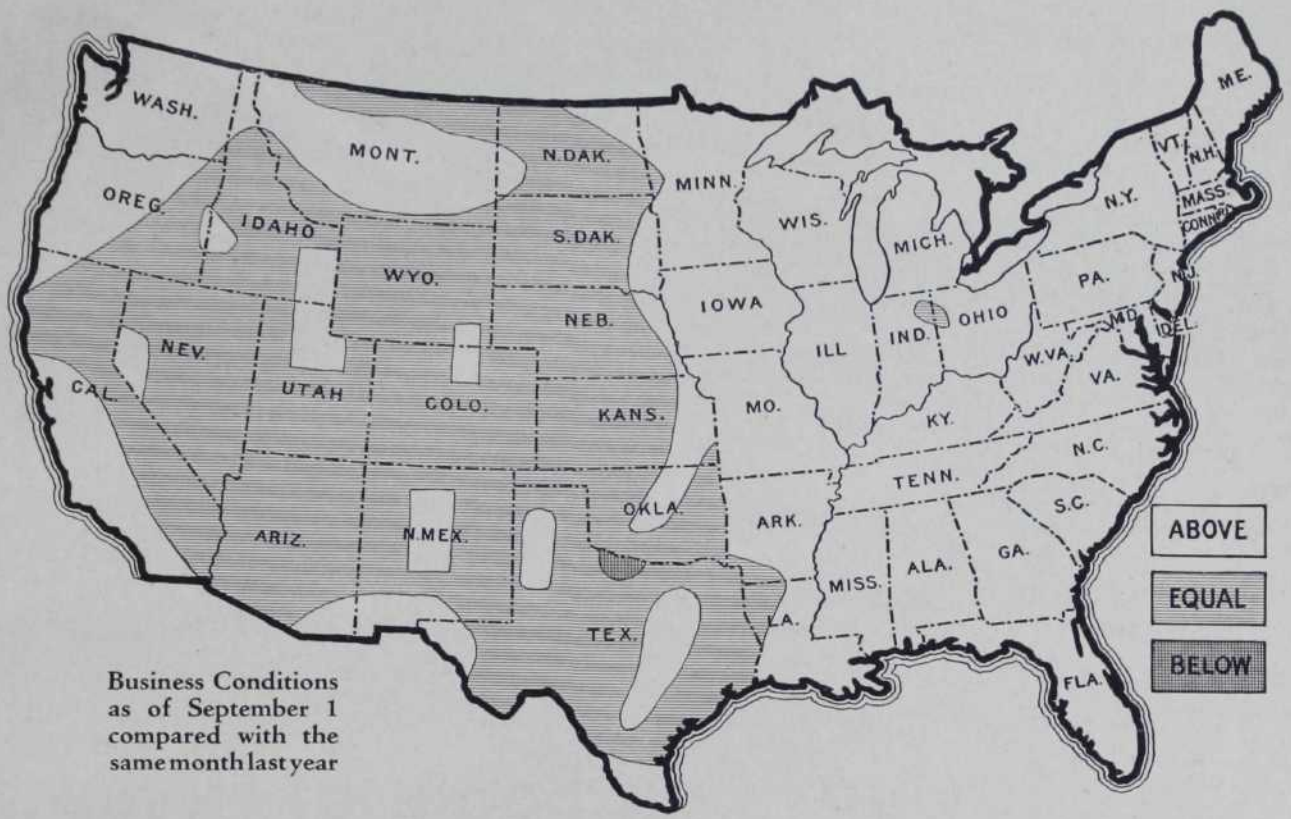
NEW YORK
122 East 42nd Street

CHICAGO
8 South Michigan Avenue

LOS ANGELES
510 West Sixth Street

The Map of the Nation's Business

By FRANK GREENE



Business Conditions as of September 1 compared with the same month last year

AUGUST saw business calmly steady in the face of Europe's "war of nerves." Stock markets, after an early rise, declined moderately considering tension abroad. Diversified buying pushed steel mill operations close to two-year highs, while electric output passed the previous all-time peak. Automobile plants were a month ahead of last year in production of new models.

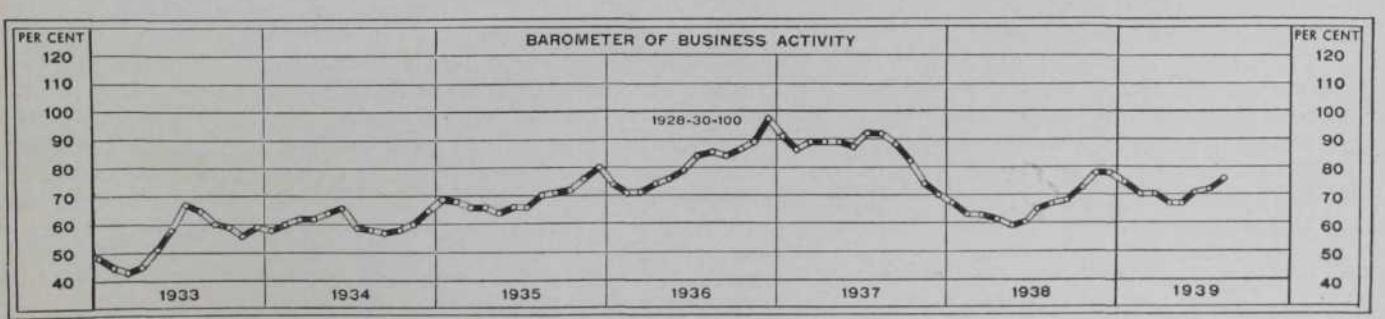
Increased activity in railroad equipment was reported as coal, ore and miscellaneous shipments sent car loadings to the year's high. Crude oil output was sharply curtailed after mid-month by the shutdowns of wells in major producing states.

War news caused erratic commodity markets with sharp price increases in non-ferrous metals and foods. Business loans showed encouraging gains and excess bank reserves passed all-time records. Retail sales continued on a level well above last year. Bank clearings were 14.6 per cent and debits eight per cent above a year ago; business failures were fewer by 15.4 per cent.

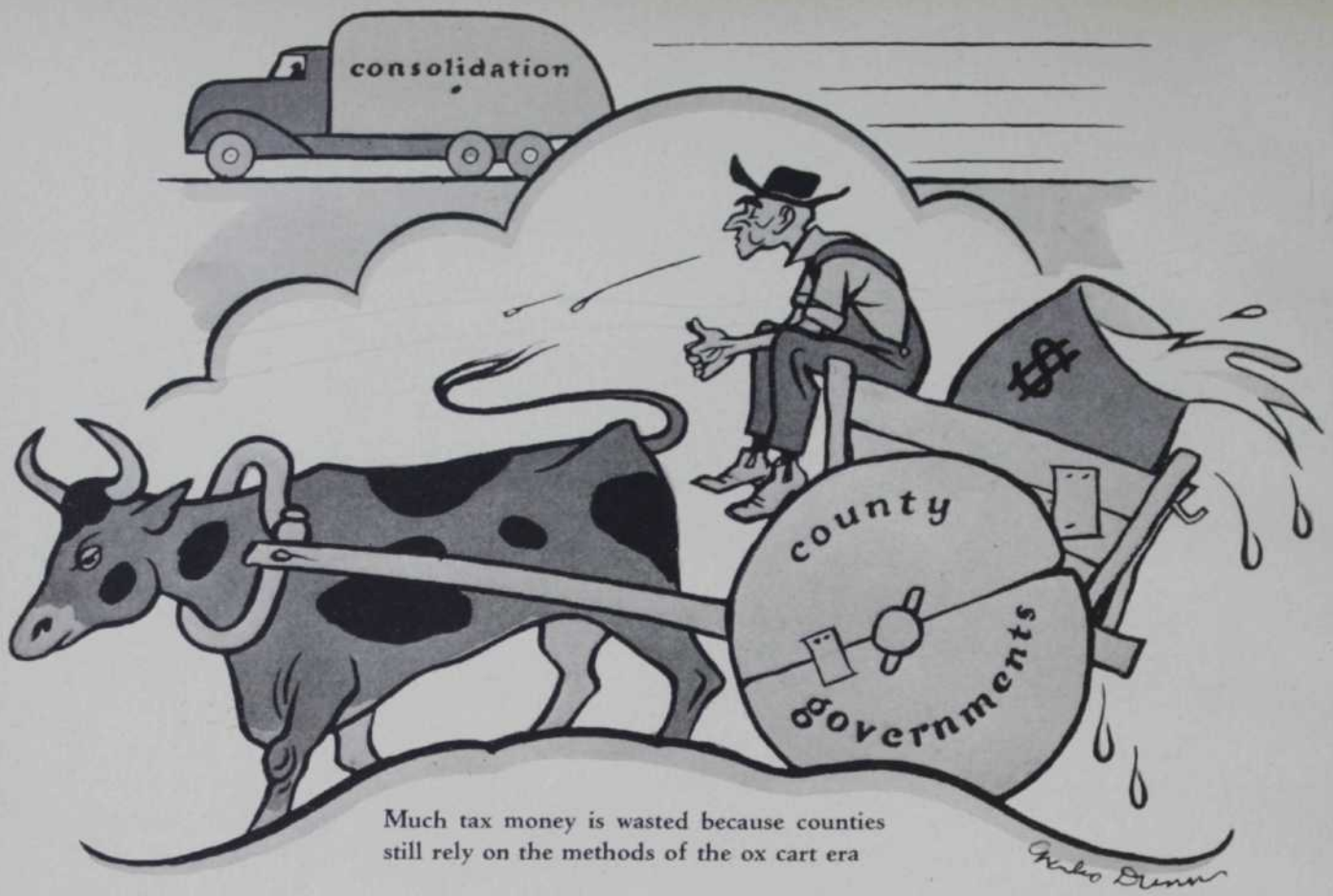
Continued expansion in distributive trade, together with widening industrial operations tended to further brighten the map



The map of last month



Rising for the third straight month, August Barometer of Business Activity reached the approximate level of last December



Much tax money is wasted because counties still rely on the methods of the ox cart era

Tax Savings Can Begin at Home

By WAYNE GARD

ONE SIMPLE step, streamlining county governments which have not changed since the horse-and-buggy days would result, not only in lower costs, but in better local administration

WOES of the taxpayer crop up wherever business men get together nowadays, even on the golf course and at the bridge table. The tax burden has become a millstone on the neck of industrial and commercial enterprise. Yet it is not enough to send wails to Washington and to lament that Uncle Sam has become a grasping ogre. Much of the recent federal spending is a result of the virtual breakdown of local units of government. To the extent that this is true, the remedy lies, not so much in an overturn in Washington, as in a house-cleaning at home, particularly in the county court house.

When the business man thinks of federal spending, he generally visualizes big projects like the Tennessee Valley and Columbia power plants. But, expensive as these projects are, they are of almost minor importance in comparison with the vast sums that federal agencies pour back to the states and counties and cities for relief, health work, highways, school buildings, swimming pools, and other public works.

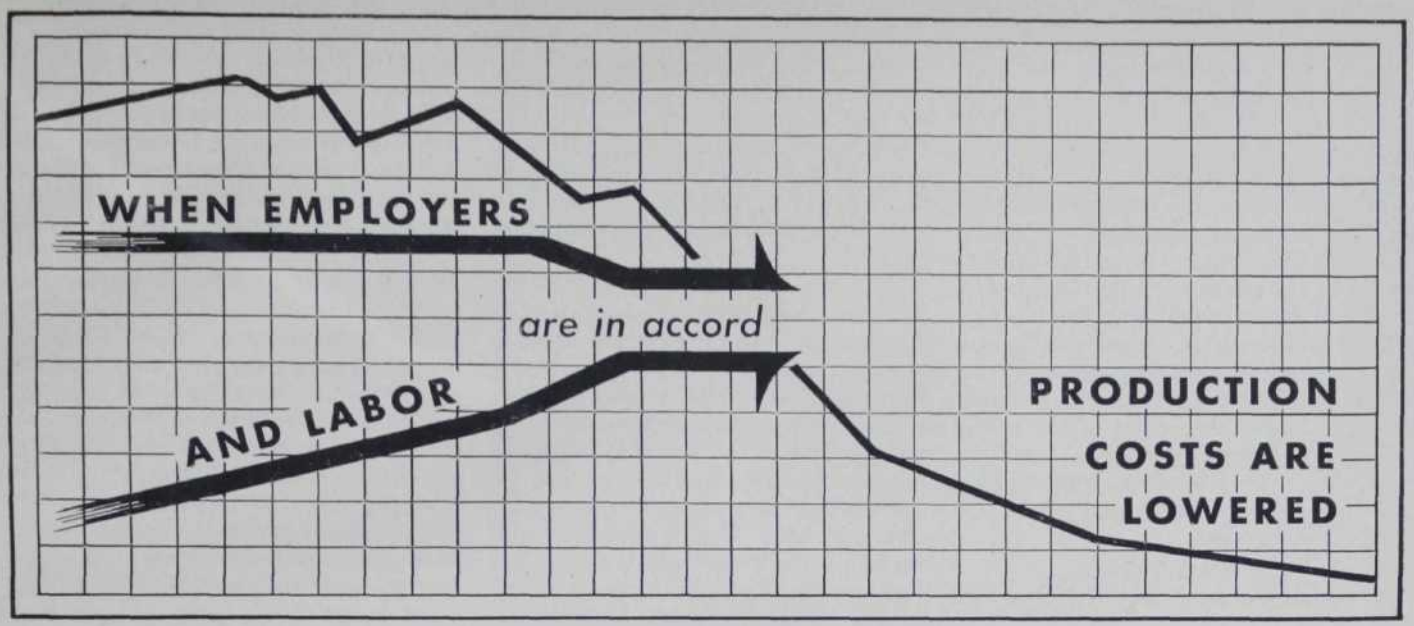
In other words, Uncle Sam has had to take over local functions because local government, especially in the counties, has fallen down on the job.

Most of the counties rake in as much as ever in taxes; some are collecting unprecedented amounts. But much of this money is wasted because county officials have not applied modern business methods to public administration. And they rise in holy wrath to fight every proposal for county mergers—a method that, in many instances, could reduce the county tax bill 20 per cent and, at the same time, make the county less dependent on help from the state and federal governments.

Lately much has been said and written on the inefficiency of "taxeaters." Some of this is unjustified aspersion on well qualified and hard working public servants. But in many a county court house, especially in rural sections, waste and idleness are the rule rather than the exception. The typical office-holder in a county of small population has little to do except blow smoke rings.

The county is, without doubt, the most backward unit in the American system of government; and, until federal expenditures began to reach astronomical figures, it was clearly the most wasteful. About 465 American cities now have civil-service commissions to curb the system of political spoils, but a recent check showed only nine county merit systems in effect.

In the United States and Canada,



Skilled NATIVE-BORN LABOR is PLENTIFUL and COOPERATIVE

in Chesapeake and Ohio Territory

THESE ADVANTAGES

are but the fundamentals of many favorable conditions making Chesapeake and Ohio Territory an economic field of operation for many industries.

- RAW MATERIALS of many kinds; abundant, near at hand, economically secured.
- INTELLIGENT LABOR—native-born; largely skilled in a diversity of industries; well housed; peaceful and cooperative.
- NEAR TO MARKETS—major consuming areas within first, second or third morning delivery.
- EXCELLENT TRANSPORTATION—favorable freight rates and dependable service keep markets and manufacturers in economically close touch.
- CHEAP POWER—abundant coal, oil, natural gas and hydro-electric developments assure this region of unlimited power at most economical costs.
- COOPERATIVE LEGISLATION—Industry is king in Chesapeake and Ohio Territory, and the legislatures of the five great States in which it lies are friendly toward the needs and aims of enterprises they invite and those they already have.

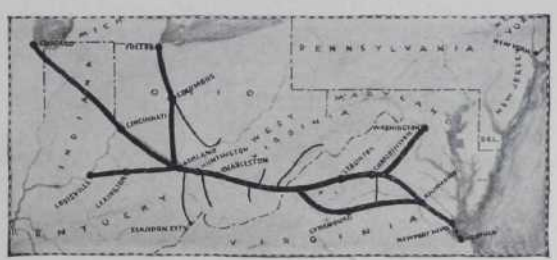
What do you seek in a more advantageous location? Complete and impartial factual surveys for your specific industry will be furnished on request. All inquiries will be held in strictest confidence. Write

GEORGE D. MOFFETT, *Industrial Commissioner*
CHESAPEAKE AND OHIO LINES, Huntington, W. Va.

Industries considering new locations in Virginia, West Virginia, Kentucky, Ohio and Indiana—the states served by Chesapeake and Ohio Lines—will find labor resources a favorable factor. Skilled and unskilled, white and colored, labor in this area is abundant and especially adaptable to the metallurgical, chemical, paper, ceramic, food-processing, textile and heavy-duty industries.

Drawn from a largely agricultural population, the typical worker is native-born, self-respecting, proud of his home, family, job and community. This desirable type of labor is so plentiful throughout Chesapeake and Ohio Territory that industry need not devise means to attract outside labor.

Labor, then, may be set down in the list of *Economy Factors* —along with abundant raw materials, available industrial sites, easily accessible markets, cheap power, excellent transportation and business-minded legislation—which make this region desirable for a great diversity of industries.



CHESAPEAKE *and Ohio* LINES

475 cities have adopted the city-manager plan to put municipal administration on a business basis, but only six of this country's 3,058 counties have manager types of government that meet the approval of the International City Managers' Association.

On the whole, the county does less for the taxpayer than does any other governmental unit. In many states, some of the county officials collect big sums in fees as well as in salaries. In the more populous counties, it is not uncommon for a county official—even a scrupulously honest one—to have an income larger than that of the state Governor. Officeholders band together in state associations to oppose any progressive legislation that might cut into their largess.

Small county: big expense

THE smaller the county's population, the higher runs the *per capita* cost of administration.

As a rule, county tax records are lax and collections are poor. In 14 Texas counties a survey by the Works Progress Administration recently revealed that 135,173 acres of farm land had been tax free from the beginning of the state's history and that 49,738 acres had been subject to double taxation. Often county officials dare not put up tax-delinquent property for sale for fear of becoming unpopular and failing of reelection.

County road work has become so notoriously inefficient that several states have absorbed all local and secondary roads into their state systems. Of Texas, one engineer, Manton Hannah, recently pointed out that "of the 254 counties in the state, only 64 make any pretense of maintaining an engineering staff. As a matter of fact, there are only about 12 permanent county engineering organizations in Texas."

In thinly populated counties with poor resources, often three-fourths of the taxes go into the salaries of county officers. Most of the remainder is required to pay jurymen and witnesses and to support the indigent. Next to nothing is left for schools, roads, libraries, or public health services.

Plans for the reform of county government have been introduced in nearly all the state legislatures in the past decade, but few have been accepted. These proposals include the centralization of authority in county government, generally in the hands of an appointive county manager, consolidation of county and city governments in urban areas, and merger of adjoining counties.

Obvious as are the merits of the county-manager plan and—in selected instances—city-county consolidation, the merger of adjoining counties offers the most direct means for saving taxpayers' money. In almost any rural section, a single county official could perform his functions for four or more counties without working more than an eight-hour day.

Missouri, for instance, still has the 114 counties into which it was divided in the ox-cart era. Mergers were recently proposed to reduce this number to ten or 11. This change would give each of the new counties enough tax revenue for efficient county government and at the same time would allow reductions in tax rates. Yet even the most remote farmer would be less than half as far—in time—from his county seat as in the days of primitive transportation.

But what happens to such a proposal can easily be imagined. County officials who see their jobs slipping away and merchants who think the court house brings them trade take up arms to prevent any change. In Iron County, Mo., 100 miles south of St. Louis, a courageous newspaper editor brought down wrath on his head when he opposed successive proposals for bond issues for a new court house, pointing out that adjoining St. Francis County had a new court house big enough to serve at least five counties. Through his paper, he defeated two bond issues, despite the boycott of his paper by many local advertisers; but he got nowhere with his merger proposal.

Local rivalries are bitter

THE mere mention of savings by specific county mergers excites local rivalries like those of the frontier era, in which county seat wars often resulted in violence and bloodshed. In Harlan County, Neb., where three embryo towns were competing for the county seat, one historian recorded that "Republican City and Melrose each had a store, a hitching post, and a clothes line, while Alma had only her buffalo skull." Yet the smallness of the rival villages made the county seat wars no less bitter. In more than one instance, county records were stolen and carried to another town by night and men were killed in fights over county seats.

This sort of rivalry is still latent and crops out whenever county mergers are proposed. One county may be willing to swallow another—if the latter's debts are not too large—but no town wants to give up its status as a county seat. This attitude blinds many to the big savings that county mergers offer, especially in thinly populated areas. Texas has 172 counties with fewer than 20,000 inhabitants each, and 46 with fewer than 5,000 each. In these, taxes provide almost nothing for county expenses after officials' salaries have been paid. Schools are notoriously poor, and little is done toward preventing disease.

Tax experts have estimated that, in counties of less than 5,000 population, consolidation would save at least 25 per cent of the present costs of oper-



"Hogan must have built that better mousetrap he's been talking about"

ation. In Oklahoma, the State Chamber of Commerce estimated that $17,000,000 could be saved by merging that state's 77 counties into 20. Adoption of the county-manager plan after the merger would make even larger savings possible. Yet many a county seat resident regards his city's right to the court house as something sacred.

In spite of such opposition, however, there have been two county mergers in the United States in the past quarter century; and each has been successful. The first, effected in 1917, united James and Hamilton counties in Tennessee, with Chattanooga as the county seat. As a result, the tax rate was reduced about 15 per cent; and James County, which had had only two miles of hard road, received a modern highway system. This area also gained first-class consolidated schools, with full terms.

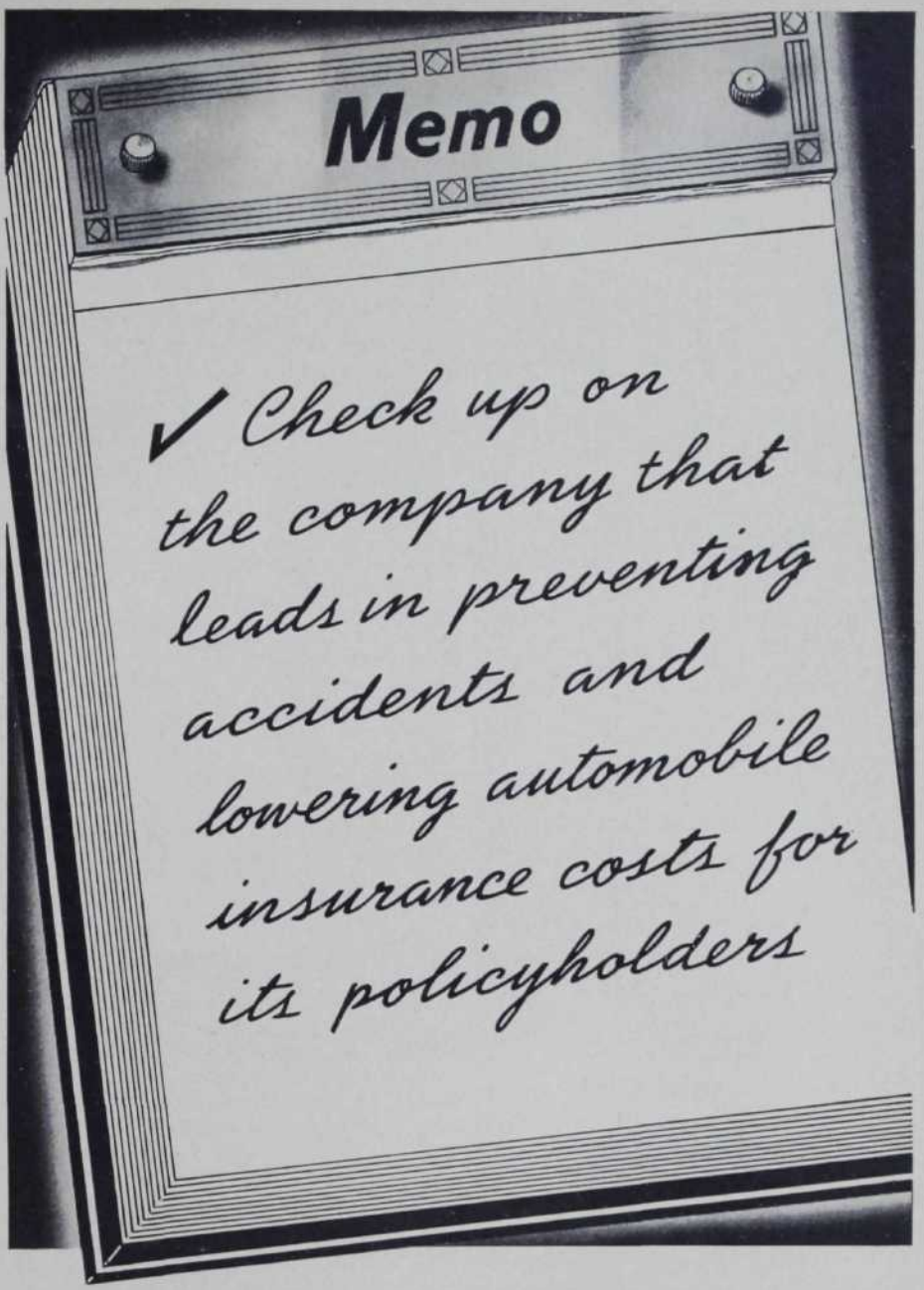
The second merger in 1932 united three Georgia counties with Atlanta as the county seat. The two sparsely populated counties, which lost their political identity, gained lower tax rates, new paved roads, greatly improved schools, and health services they had been going without. Fulton County, to which the others were joined, was not obliged to add appreciably to her official personnel to administer the larger area.

States have tried to help

SEVERAL state legislatures have passed laws permitting counties to merge, but entrenched officials and local merchants have blocked action to take advantage of these measures. As early as 1926, Gov. Alfred E. Smith advocated that many New York counties be consolidated but no action was taken. Governors of other states have made similar recommendations from time to time, but with no results.

Poor resources and tax delinquency make administration much more expensive in the thinly populated rural counties. A Colorado survey several years ago showed that the *per capita* cost of county government in the 15 poorest counties was almost double that for the 15 wealthiest counties.

Because they are falling down on their job, the counties are seeing more and more of their functions taken over by state and federal agencies, with the pyramiding of taxes as a result. If the county disappears as a governmental unit, with it may go much of the local self-government that Americans traditionally have held precious. But if the county is saved, the present political rings will have to give way to mergers and business management that will bring both tax savings and better service.



THROUGH the "Not-Over-50" Club, the nationwide automobile safety club, through the Kemper Foundation for Traffic Police Training and through a comprehensive program of safety engineering and education, Lumbermens works to prevent accidents.

This helps all motorists but particularly it cuts down accidents among Lumbermens policyholders.

Because Lumbermens is a mutual company paying dividends only to its policyholders, this lowers the cost of automobile insurance for car owners insured with Lumbermens.

Lumbermens policyholders have saved an average of over 20% on their automobile insurance since organization through Lumbermens big cash dividends. These dividends have exceeded $22,000,000 in the last ten years alone. See your local Lumbermens agent or write us for complete information.

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MUTUAL INSURANCE BUILDING, CHICAGO, U. S. A.

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WHY

A DETEX

WATCHMAN'S

CLOCK

WHEN YOU are buying a piece of equipment which is as important to the safety of your plant as a watchclock is, it pays to know something of the company back of it.

THE DETEX CORPORATION is the largest company in the world devoted exclusively to the manufacture of Watchman's Clocks. The Newman, one of the Detex Clocks, was the first watchman's clock designed in America to serve American industry, which means that back of the Detex organization is almost a half century of watchclock experience—experience, incidentally, which no other company has had. The Detex sales organization covers this country thoroughly—there is probably a Detex branch office or a Detex representative near you, ready to assist you in securing the system best suited to your needs and in servicing that system once it is installed.

MORE THAN 80,000 Detex Watchclocks in over 50,000 plants testify to the efficiency of this system of plant protection. It will pay you to let Detex supervise your watchman—guard your assets.



NH-16

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DETEX

WATCHMEN'S CLOCKS

NEWMAN • ECO • ALERT • PATROL

Modern Money Has Wings

(Continued from page 38)

cent of all the air mail in the country—it is still No. 1 city in air mail, and No. 3 in air express.

Checks are photographed or recorded on these "proof" machines to protect money against loss. Not one check in millions is lost, but when losses do occur, the bank that flew the check for collection notifies the other bank concerned and submits evidence that the check passed through its transit department.

Where checks are photographed, the negative shows all details on the check, and that is accepted as proof, and payment made, if the check fails to show up.

Bond coupons fly, too, and bonds themselves, and other securities.

For these, the records are kept in greater detail, and losses are covered either by insuring the mail, or by a general loss insurance policy. Because fewer securities are flown, records can be more elaborate than for checks, which run to such numbers that the most economical methods of proving losses are used.

Many banks over the country now collect out-of-town checks through the Federal Reserve banks and their branches, which have a well developed system.

National clearing system

THE 12 Federal Reserve banks act as a nation-wide clearing house for their members (about 6,300 of the nation's 15,000 banks) and for such non-members as maintain appropriate balances with the Reserve banks. There are only 2,700 banks, mostly in the South and Northwest, that do not take advantage of this service. The payment between Federal Reserve banks for the proceeds of check collections is made by telegraph through the Interdistrict Settlement Fund, an amount now totaling $5,390,000,000, all of which has been deposited by banks wishing to use the Federal Reserve's check-clearing system. This system obviates the shipping of gold between banks all over the United States in connection with check payments.

No charge is made for Federal Reserve collection service.

A morning paper goes to bed, and then the staff goes to bed, too.

But a transit department works from five o'clock Monday morning until early the following Sunday morning, at least in Los Angeles, because the banks in Southern California are mostly branches in great systems, and the territory covered is about the size of Massachusetts, Connecticut and New Jersey put together.

So transit work is done by shifts, sometimes a skeleton crew, and again a full day crew.

Men are coming on at all hours, and leaving as the volume of checks dwindles, but somebody is working 24 hours every day except Sunday. The night work attracts young men going to school or college.

Your New York check is deposited in a branch bank ten to 30 miles away, or farther. If nearby, a motorcycle messenger picks it up and rushes it to the central office in Spring Street, the town's financial center. If it comes farther, then motorbus, trolley or train mail will be used, or even regional air mail, because



"Why didn't you warn me about that curve when you called!"

the banks do not limit themselves to the air for distant transactions but use it wherever they can right around home.

At six in the morning, air mail begins arriving from places up and down the Coast, and a little later by motorbus, trolley and railroad.

By eight o'clock a full transit crew is needed, and is on the job all day. Around five o'clock the checks begin coming in from branch banks.

After the day collections are safely on planes, and in the air, a night shift works on mail for the early morning planes.

The banks prepare their mail so that it need not pass through the post office, but goes direct to planes. There are many hundreds of mailings to banks that are to be asked for payment on only a half-dozen checks while, for large city banks, there will be bundles that go by air express—collections are made by sending the checks to each individual bank.

If you mention interest to a banker nowadays, he looks gloomy.

When money first began to fly, interest was still interest, and the large Los Angeles branch banking systems saved hundreds of thousands of dollars yearly by taking to the air, and speeding up transit.

That is, they saved money principally for their customers, rather than themselves, by making it available more quickly, and cutting down the interest in transit. On one check, it was generally small, but on the whole volume it was real money.

At that time, many banks paid interest on large checking balances, but today none of them would think of doing so, even if the payment of interest on commercial accounts had not been prohibited by law. Money doesn't earn as it used to, and even interest on savings and similar accounts has been cut to the bone.

The money flies nowadays chiefly as a convenience to customers, and the banks benefit by the good will that comes from prompt service.

It was really the depositor who saved the interest in those happy days when there was interest—and they will come again.

Your check, for example, came from Jones, in New York, who owed you, say, $1,000. By train mail, allowing ten days for collection, the money would have still been Jones's for five days, earning him 40 cents interest, and would lose 40 cents more while the money was traveling. By air mail, you get the cash in one to three days, and if the money were left in your bank, and three per cent paid on your account, you would be 50 to 70 cents ahead.

Of course, on a small check, say $50, neither Jones nor you would save much money. In the vast total of checks flying every day, it runs into thousands of dollars, and is actually money saved for you or Jones.

But the money coming back quickly for spending, or maybe to meet this week's pay roll, or life insurance payment—that's real value anybody can see, and want.

For the banks, there is another advantage—air mail gives them the quick-

"And now you'll burn,"
cried demon DUST
"I'll sit right down and fry ya!"
"What can we do?" the
contacts moaned,
"This devil is no liah."

"If we stood upright like
we should
As Cutler-Hammer's do
This bum could find no
place to squat
And we'd work better TOO."



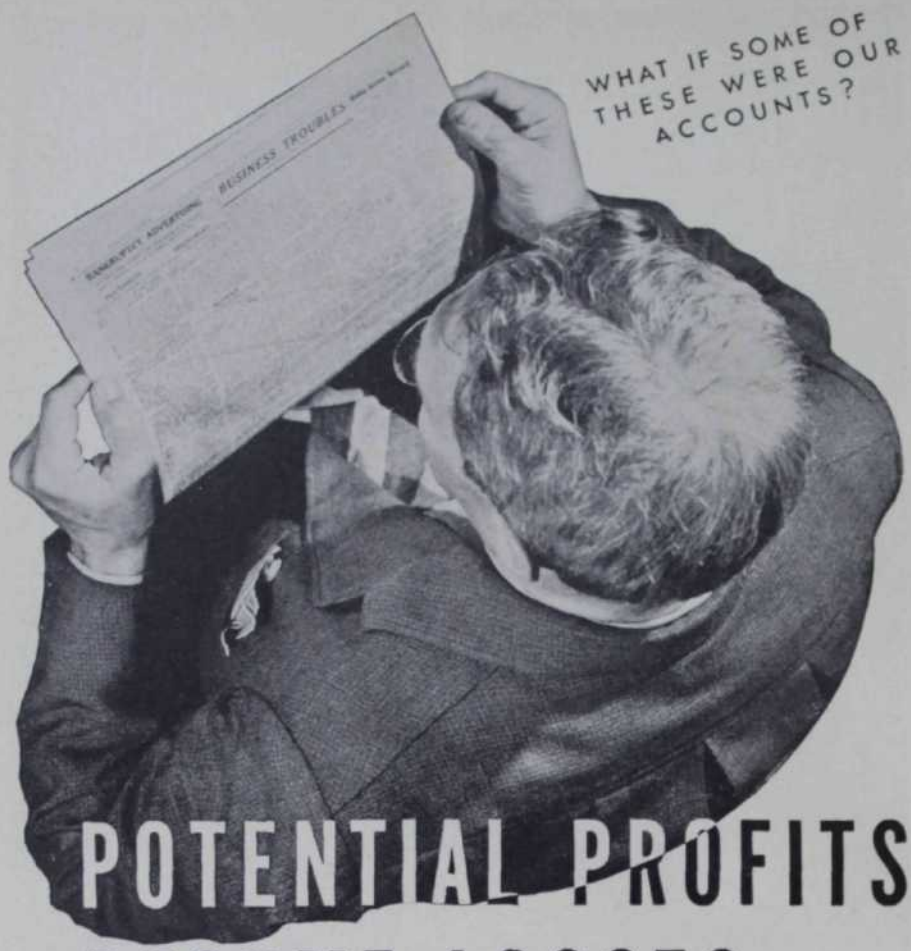


VERTICAL CONTACTS mean better Motor Control. Dust between contacts causes heating and burning. But dust *can't* settle on VERTICAL contacts. So Cutler-Hammer VERTICAL CONTACTS need not be buried. They are *out in the open* . . . always air-cooled, easily inspected, fully accessible—yet free from dust and dirt. Get the facts. Send for free book, "Dust, the Destroyer." CUTLER-HAMMER, Inc., *Pioneer Electrical Manufacturers*, 1251 St. Paul Ave., Milwaukee, Wisconsin.



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Business troubles! Pages of disturbing items every day—hopeful new firms become bankrupt, staid old firms go into receivership, millionaire firms are reorganized under the Chandler Act. Undercapitalization. Mismanagement. Competition. Fraud. Local disaster. Innumerable causes of insolvency and *one* inevitable result — credit losses for suppliers.

American Credit Insurance

protects Manufacturers and Jobbers when involved by their debtors' business troubles. American Credit Insurance provides reimbursement when customers fail to pay for goods shipped under the terms of the policy, and liquidates delinquencies. Capital is safe — profits assured.

Thousands of modern executives extend credit on the "American" guaranteed basis in preference to maintaining their own loss reserves. It's worth its cost for the added stimulus it puts into "selling." Most classes of debtors are insurable under one or more of "American's" ten policy forms. Investigate.

AMERICAN CREDIT INDEMNITY CO. of New York

J. F. McFadden, President
Chamber of Commerce Bldg., St. Louis, Mo.

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est check so far devised on all sorts of shady customers.

Just before closing, a well dressed young man comes to a vice president's desk, lays down a big roll of bills, and says, "I want to open a checking account—there's $20,000."

Identification is needed

THE bank officer smiles and says, "Yes, sir, I can attend to that for you—I suppose you can identify yourself?"

"What identification do I need? I'm not cashing a check, but opening an account, and there's the cash."

Tactfully, but firmly, the banker explains that identification is necessary in opening a checking account of that magnitude. There's the cash—but whose cash is it, where did it come from?

Los Angeles is probably no more a center for slickers than any other large city, but it attracts its share, with its movie money, and its retired people's money, and its ebb and flow of tourists.

It was by opening a checking account with the Bank of England that American swindlers, back in 1873, succeeded in cheating the Old Lady of Threadneedle Street out of nearly $400,000—and she spent another $250,000 to catch them.

George and Austin Bidwell, substantial-appearing men, with George Macdonnel and an English confederate, opened an account, and quickly built up a heavy balance by depositing what the British call "bills," and we call "commercial paper." These bills were drawn by London houses of such standing that they were accepted unquestioned and, though the swindlers drew out large amounts in cash, there was always a heavy balance.

One day, a bill clerk noticed something—the sight dates had been overlooked in two bills for 1,000 pounds each. He would not trouble the Americans about such a little matter, but spoke about it to the firm whose name was on the bills—and discovered that these depositors had been forging bills with the names of the best firms in London!

In one recent case, such a stranger offered a large sum in cash as the foundation for a checking account, and when pressed for identification, referred to an eastern bank. The eastern bank, in turn referred to a San Francisco bank and that bank was not able to give any information likely to establish confidence in the stranger.

This account was refused, the stranger rented a safe deposit box to keep his money in, and some months later was arrested. It had been observed that he frequently flew out of Los Angeles, returning in a few days, and several bank robberies were traced to him—his checking account would have been the cache for money stolen from other banks.

Strangers can be checked up quickly when their signatures and other information are sent air mail, with a request for wire report—it is a matter of 24 hours between coasts.

Bank men will be first to welcome and use cross-continent television.

For then, the stranger's signature, and even he himself, can be viewed instantly in a distant city.

The possibilities of the worthless check, which has often figured in shady business transactions, are greatly limited by air mail, and a death blow has been dealt to the once prosperous industry of check "kiting."

Too little time for kiting

YOU may have gone into it occasionally yourself, but there is no harm in revealing now just how it was done, because kiting has gone to join the horse-and-buggy.

You in New York owed Jones in Los Angeles $1,000 but hadn't that much money in the bank. Payment was due, or perhaps you wanted to take advantage of a discount.

So, you mailed Jones a check. It took five days to reach him, and five more to come back, giving you ten days to deposit enough money to meet the check. If Jones granted a three per cent discount for payment before a given date, you could save $30, and did, before the money was actually paid out.

Nowadays, your check is back for collection the day after it reaches Jones, and the risk of not meeting it promptly is too great to warrant damaging your credit. For those astute gentlemen who flew kites regularly, and managed to make money doing it, the margins of time have been cut down from days to practically hours.

Other departments of a bank find uses for air service. Checks are protested, sight drafts drawn, shipping documents speeded up by plane. Even the trust department, involved in estates and incorporations, turns to air mail in an emergency.

For instance: A California oil company was preparing to issue bonds. Copies of a trust deed had to be sent to 44 different counties in the state, to be recorded, and there was no time to lose.

That many copies were made overnight, the company's officers signed and acknowledged them before dawn, and they were flown to the more distant county seats, the farthest 500 miles away.

Before noon, telegraphic confirmation of record was received for the first trust deed, and by nightfall all had been confirmed by wire.

But it is the commonplace bank check that flies oftenest, farthest and fastest, and is the symbol of your liberty.

Our industrial centers do billions of dollars in business with each other every year, and our cities hundreds of millions, and there is no place too small not to have some of this commerce passing in and out. Most of it without a single dollar of actual money moving anywhere.

It is all done with bank checks, and a vast machinery operates to keep those checks circulating freely, quickly, safely.

People in other countries might not agree with our ideals of constitutional liberty, preferring their own political systems.

But in this freedom of commerce and finance, now covering our territory as far as Hawaii, tney would agree, in our own pithy phrase, "You've certainly got something there!"



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It's not unusual for a $20.00-a-week stenographer to use a $100.00 typewriter and a $40.00 desk and chair. Your draftsmen, who often earn several times as much, should certainly have as good equipment! A Bruning-Wallace Drafter is modest in cost—yet if it increases a $2800.00-a-year draftsman's efficiency ONLY 5% (*and most users claim 25% to 40% increase*)—the 5% increase in efficiency, speed or volume of work produced will pay for the drafter in 12 months—and provide enough extra savings to buy a new drawing table as well!



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Bruning Touch Control Drafters multiply your drafting efficiency . . . enable you to get rush work out more quickly . . . introduce modern production methods into the drafting room and save 25% to 40% of drafting time. Bruning-Wallace Drafters pay for themselves in time savings and there's a type for every need. All are fully described and illustrated in a handsome new book. Mail the coupon today for your free copy!

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The Wagner Act "Settles" a Strike

(Continued from page 17)

effort was made to settle the strike.

Notwithstanding this, but in view of the dire need of the workers to get back to work, which they could not do because of mass picketing and because of the absence of police protection, we finally concluded an agreement with the T.W.O.C. for one year. The plant reopened on May 26, 1937.

I think perhaps it might be appropriate to enlarge a little bit on this cooperation between union and company, because sometimes people talk cooperation but do not act it. We signed the contract, we had a meal with the local organizer, and we arranged with him that he would bring the people back to work the next day. We arranged amongst ourselves that there should be a big reception with a band playing "Happy Days Are Here Again," or something of the kind, and there was dancing, refreshments and so forth. The union organizers and all of their assistants were invited to join in the dancing and come in with us.

Cooperation didn't last

SO WE had a very good day and I addressed all of the employees and we had the union organizer up on the platform and we talked about cooperation to demonstrate to our people that we were going ahead witn this thing in a sincere way. I shook hands with this organizer in front of the crowds to the delight of every one there. I did this to set an example to our employees so that those who had worked for the union and those who had opposed the union might also let bygones be bygones. We brought them up on the platform and had them shake hands. The whole thing was particularly harmonious.

But, in spite of the company's best efforts and cooperation, the union failed to sell itself to the workers. Memberships dwindled.

Toward the expiration of the contract I was visited by a committee of workers who laid before me various charges against the union, the most serious of which, from a company standpoint, was that the T.W.O.C. did not then and actually never did represent a majority. They petitioned me not to renew the contract upon its expiration. They stated that the union had persuaded employees to sign applications for membership by means of duress and intimidation and that many who had signed never accepted membership and had signed merely as a means of concluding the strike and getting back to work.

To support their contention, they stated that recently a committee of employees had, on their own initiative, printed and distributed among employees cards reading:

I, the undersigned, do not want the T.W.O.C. to bargain for me after the expiration of the agreement on May 26, 1938. I sign this of my own free will and accord.

These cards were signed by a majority or 628 of all the employees.

I would say that there were several reasons for this dissatisfaction among the workers. One was union campaign methods. For example, one woman worker had militantly opposed the strike and later took part in forming the employees' protective association. In the middle of the night the word "Scab" was painted in great yellow letters all over the side of the house where she boarded. The landlady says those letters will remain until the C.I.O. is out of Firthcliffe. That method of campaigning is not good strategy to use on the type of people who live in Firthcliffe.

When the strike was called, the union promised the workers more than could be realized. We gave a ten per cent increase in wages which was consistent with current conditions, but the organizers had promised a 20 per cent increase. These people would have been better off if they had stayed on at the old rates rather than going on strike and walking the pavements for four weeks. But they would not have had to stay on at the old rates because we had already looked toward raising wages and shortening hours. We should have done so whether or not the C.I.O. came to town.

Another serious charge which appeared to disturb the employees was that one of the local T.W.O.C. organizers appeared to be a member of the Communist Party.

I might say that we have nothing against the Communist Party and Communists may be perfectly acceptable in many communities. But Firthcliffe is an old-fashioned village, they are old-fashioned people and they are bitterly opposed to anything of that character.

Because of the dissenting views of the workers, the company notified the union it would not renew the agreement unless it was actually proved that the union represented a majority of our employees. We suggested that the union ought to request an election to clarify this point. The union refused to consider such a proposal, although admitting orally that it did not then have a majority. It immediately filed charges with the regional director's office alleging that the company had engaged in unfair labor practices.

As usual, the regional director called us to her office for further conference with herself and the union representatives. At that time the company stated emphatically that it could not renew the agreement and recognize the T.W.O.C. as the sole bargaining agent for all the employees unless the union would establish, by election or any other reasonable means, that it represented a majority. This the union refused to do. The company offered to enter into an agreement with the T.W.O.C. and recognize it as the sole bargaining agent for its *members,* but this the T.W.O.C. declined.

At this meeting it was suggested right along that the way out was to sign up and then we could argue back and forth. We could get nowhere in suggesting that an election should be held. Of course we had no right to ask for it under the law and presumably, on that account, it was accorded slight consideration.

In common honesty we could not see our way to sign up in view of these 600 cards stating that the employees did not want us to sign up.

After several more of these meetings, the regional director issued a formal complaint on September 29, 1938, and notice of hearing based on the T.W.O.C. so-called charges. We filed our answer on October 13, denying all charges. The hearing was set for October 24, postponed at the last moment until October 31. Again at the last moment it was postponed until November 14.

A time to hurt business

TO BEGIN the trial at this late date was injurious to the company because all our energies should have been concentrated upon creation of new merchandise for the January style opening, upon the success of which depends the volume of spring business.

We protested against this last adjournment and the regional director said she felt she would be able to accommodate us in such a reasonable request. However, on the day of the hearing, our application was opposed not only by counsel for the T.W.O.C. but also by the trial attorney for the Board. This led to our conclusion that cases are knowingly brought to trial at an acutely destructive time for the business concerned.

The hearing continued until two or three days before Christmas and the Labor Board attorney piled up a record of some 4,500 pages of testimony despite admonition from the examiner that he did not "want a record just built up on inference."

After this nearly four weeks of Labor Board testimony and rabble rousing declamations by its attorney it was intimated that we should get our defense in two or three days because it was getting near Christmas.

After the company had begun to put in its defense, the T.W.O.C. finally stated that it would consent to the holding of an election if the company, without admitting that it had engaged in any unfair labor practices, would agree to cease and desist from doing certain specified acts which were charged against it although not admitted.

We felt that the stipulations were unfair and even unconstitutional but since they provided for an election together with the practical consideration of concluding the case and releasing the time of many executives who were needed to run the business, we decided to acquiesce.

The unfair stipulations actually deprived the company of its constitutional right of free speech. For example, there



"TOM'S DEATH PUTS US IN A BUSINESS WE KNOW LITTLE ABOUT"

"HERE we are—successful in our own fields—but we are up against it now. Our investment in this business has produced handsome profits. Yet now—too late—we see that those profits depended on the experience and ability of one man. He is dead. Our problem today is—How to get our money back with as little loss as possible."

You may know of such instances—businesses endangered if not wrecked by untimely death of their "key men."

If you are the key man in your business, or are an associate or stockholder in a "key man" business, is it not wise to make sure the business is protected against the death of that man—the most important asset of the business, the real source of profits?

There's a simple answer: Northwestern Mutual Business Insurance—a special policy designed for corporations and partnerships.

This sensible protection is also a quick liquid asset. It steadily accumulates a cash reserve. It bolsters credit. It can be borrowed against in time of need—no publicity or red tape.

It's a good idea to talk your situation over with the Northwestern Mutual agent. He's well informed—has the figures you'll need for arranging your own practical plan. Better not delay—it's too important.

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Northwestern Mutual offers Plans of Business Insurance designed for all types of business organization.

CORPORATIONS—Ready cash for orderly liquidation of a deceased stockholder's interest, on a buy-and-sell agreement basis—Cash convertible into income for family or heirs of the deceased.

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SOLE PROPRIETORSHIP—A fixed amount of immediate cash representing values built into the business—Finances the readjustment period of arranging continuation of the business, transfer to others, or orderly liquidation.

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Find out for yourself how you can protect every foot of your property line. Call in a trained Cyclone engineer. His services are yours for the asking. He'll help you work out your protection problems and gladly give you a free estimate. You'll be surprised to find out how little it costs per year to have this valuable protection.



Now you can be sure of the quality of fence before you buy it. Cyclone Fence with the "12M" label has an extra-heavy coat of galvanizing that resists rust and makes the fence last longer. Be sure that the "12M" label is on the fence you buy.

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UNITED STATES STEEL

is the case of one of our superintendents who has in his employment a man with whom he soldiered in the Spanish-American war. I believe the union has recently lodged complaints because this superintendent was seen talking with this other man who was his buddy during that war. Natural human relationships are almost prohibited as far as conversations and contact and exchange of speech are concerned.

There was another suggestion that because I had sent a Christmas letter to our employees I was trying to intimidate them. I have been an advocate of Christmas parties at factories ever since I have been in the mill business. We like those things and think they are sound and we didn't bring in this last Christmas greeting to intimidate anybody. Our company has had all these little social affairs for many years.

But anyhow the National Labor Relations Board issued its cease-and-desist order and the company posted notices and fulfilled in all other respects the requirements of the order. [Referring to the pending election which was a provision of these arrangements Mr. Wadely stated:]

One-sided election campaign

AND, while we were muzzled by the stipulations of this order, the union enjoyed complete latitude to propagandize and campaign the labor electorate with fantastic promises beyond possibility of realization.

Moreover, the labor electorate was whittled down by the refusal of the Labor Board to allow a number of employees to vote on the ground that they were supervisors although they were not; still these same employees who were not allowed to vote had been rated as eligible for union membership in the spring of 1937.

The election was held January 9, and 379 votes were cast for the T.W.O.C. and 420 votes cast against it. On January 12 we received a certificate from the regional director saying that the election had been fairly and impartially conducted, and confirming the results.

But on February 3 we received a letter from the regional director asking us to attend a conference on February 7 in connection with objections which she said the T.W.O.C. had filed protesting the election. The meeting was not held on February 7, but on February 21. The director was not there, but her attorney, who professed that he was unfamiliar with the case, said she had arrived at her decision. Our counsel said he was in no position to comment until he could see a copy of the charges. This meeting began at three o'clock and concluded at 3:35, but before four o'clock we had a phone call from Firthcliffe, 70 miles away, telling us that a notice was posted at T.W.O.C. headquarters declaring the election null and void.

On February 24, three days after the conference, we received a letter dated February 23, stating that the director was thereby declaring null and void the election held January 9 and setting aside in all respects the ballot then taken.

Some of the reasons given were that

an employee had gone to the polls riding on a company truck; that one of the disqualified employees who had been called a supervisor was supposed to have driven some one to the polls.

On March 7 our counsel wrote to the regional director protesting against her action. On March 8 we addressed a letter to the National Labor Relations Board, Washington, setting forth all the facts in the case and appealing from the regional director's action. In reply to our letter we received one from the National Labor Relations Board, dated March 16, stating that our protest must have arisen out of a lack of understanding as to the powers vested in the regional director by the consent stipulation for the election, that the Board felt adequate opportunity had been afforded to discuss the alleged irregularities and that no appeal lay to the Board and no relief could be granted.

Reversal at long last

WE concluded that we would have to present the matter to the circuit court of appeals but, before filing the petition, we decided that we would once more communicate with the National Labor Relations Board and advise them of the steps we intended to take. Our counsel arranged a conference with an assistant general counsel of the Board, who stated it was the first time the case had come to his attention and that he felt the Board would be interested in the case.

A week later we received a long distance call from him stating that the Board had decided to rescind the regional director's action and that she would be directed to issue an order revoking her order setting aside the ballot and providing for a hearing in accordance with the rules and regulations on any objection to the election which might be filed. Such an order was then issued, dated May 12, 1939, and provided that a formal hearing should be held, but to date no time has been fixed for this hearing.

To state that the feelings of our employees at Firthcliffe, through this continued attempt by the T.W.O.C., aided and abetted by the Labor Board, to exploit their rights is one of keen resentment and disgust, is to put it mildly, and I can say without fear of contradiction that, with the possible exception of a small handful of die-hards, the opinion of our employees is that the results of the election of January 9 should be unquestionably accepted and respected.

The inevitable conclusion of our company is that to expand business and add to our pay rolls under present conditions is practically impossible because the time of our management is so largely consumed in defending itself from this persecution.

I would like to say that, if you care to multiply this depressing deterrent to our expansion-in-employment program caused through the present form and administration of the Wagner Act by thousands of similar cases throughout the land, you will have some idea of how tremendously this business-crippling act contributes to unemployment and related distress in the United States.



Don't work so hard!

It wasn't how hard you worked, but how much you got done that made you successful. Then why not cut down your work now? Waste motion. The 8 minutes it takes you to get rid of a routine matter that requires only 3 *seconds* of your thinking.

The secret is to let the Ediphone knock that 8 minute "doing time" down to a fraction. Things won't jam up in your mind. Memoranda, dates, new ideas, personal notes, letters, instructions—the Ediphone takes them off your mind as quickly as they're born.

Ediphone Voice Writing is not just a new way to write letters. It's a new short-cut between you and the whole world. Always at your elbow—easy to use as the telephone! It brings your secretary's ear into your office—yet lets her do her job without interruption, instead of running around like a bell-hop.

There's a lot to this idea of working less and getting more done. It's worth asking for the booklet "Don't Work So Hard". Telephone the Ediphone (your city) or write to Dept. N10, Thomas A. Edison, Inc., West Orange, N. J. In Canada, Thomas A. Edison of Canada, Ltd., 610 Bay St., Toronto.

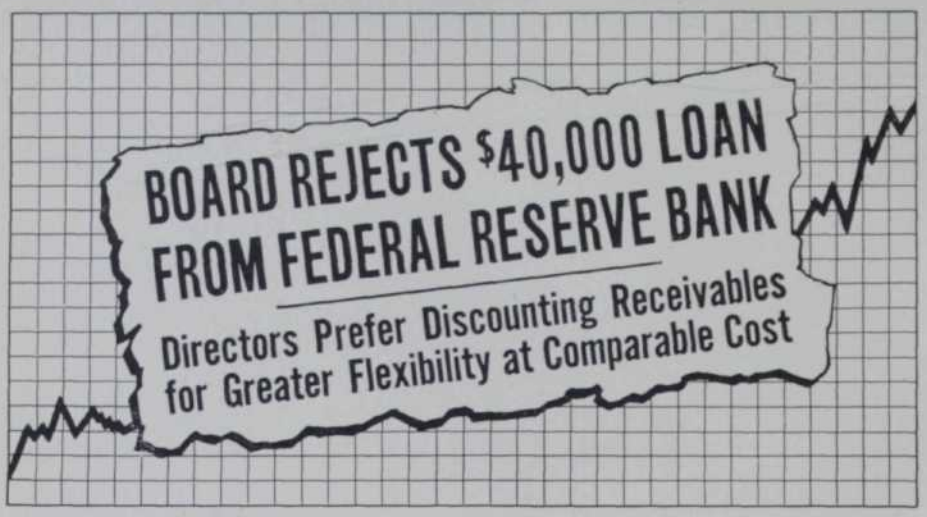


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A wholesale business operating in a highly competitive market, cannot well entertain any discount arrangement that would add materially to the cost of doing business.

Accordingly, the Board of Directors of BLANK Corporation* examined carefully the cost of our "NON-NOTIFICATION" Open Account financing plan. As compared with the usual borrowing operation, requiring the maintenance of a balance on deposit and the meeting of a fixed maturity date, they preferred to utilize their own receivables, on a self-liquidating plan.

In announcing their decision they wrote us:

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If you have any financing problems in the offing, forget interest rates for the moment and think of the actual cost of money. Considering the necessity of keeping a bank balance, and subsequently of accumulating principal to meet the maturing obligation, how much of your borrowed money is actually yours to use for the full period of the loan?

Our "NON-NOTIFICATION" Open Account financing service permits you to convert receivables into immediate cash, paying interest only for whatever money you require *while you have the use of it.* No red tape or delay in arranging loans. No worry about maturities. As your customers pay you, you cancel your obligations. Write to Dept. NB for a copy of our booklet "CAPITAL AT WORK" and read how this plan is helping others solve their financing problems.

**A fictitious name, but the facts and figures, taken from our records, can be certified.*

COMMERCIAL CREDIT COMPANY

"Non-Notification" Open Account Financing

BALTIMORE

BOSTON NEW YORK CHICAGO SAN FRANCISCO PORTLAND, ORE.

CAPITAL AND SURPLUS MORE THAN $65,000,000

Man to Man in the Money Markets

(Continued from page 56)

change; and this, said the bankers, was tantamount to an underwriting commission.

Because so large a proportion of present day bond issues comprises refunding operations, leading investment bankers fear that this new technique may cut heavily into their underwriting business, which has already been seriously reduced by private sale of entire issues, development of long term bank loans and attempts to force corporations to sell security issues by competitive bidding.

Future of the Bond Market

MANY investment analysts fear that the war may result in a general decline in the high-grade bond market, which has recently been at an all-time high. This fear, however, is not predicated on any belief that investors will break the market by panicky liquidation or that the financial position of corporations will be seriously weakened. Rather, it is based upon an appraisal of the probable future course of money rates.

The present consensus is that war in Europe will ultimately bring about a higher rate of business activity here, with a consequent increase in the demand for business loans. This greater demand for credit would, of course, tend to raise open market money rates; and, when money rates rise, the high-grade bond market declines.

This trend might be accelerated if banks meanwhile find it necessary to reduce their bond portfolios to meet the needs of business for increased credit. Although every possible device would be used to control such liquidation, many bond men feel that the present thin bond market is in a poor position to absorb even a moderate volume of selling.

Interest Rates and the H. C. of L.

IF YOU begin to hear frequent references in coming months to the H. C. of L., don't be alarmed. It's not another government agency, but merely an abbreviation for our old friend High Cost of Living, who was so much discussed during the last war.

The probability of higher living costs if the present war is one of long duration is a matter of great concern to people who live on a modest income from investments. A retired couple,

for instance, who live on the income from $50,000 could reasonably expect an annual income of something between $2,000 and $2,500 ten years ago. Today, because interest rates and bond yields have been forced so low, they are fortunate if that same $50,000 will produce $1,500 annually.

If, on top of such a loss in dollar income, the cost of living now rises, so that each dollar buys less, people who depend on the return from fixed income securities will face a serious problem.

This same situation is causing many men to re-appraise their insurance estates. An amount of insurance that was sufficient to produce the necessary minimum income for a family ten years ago falls far short of its intended objective today.

Danger of Thin Markets

THE EASE with which the stock market absorbed the shock of the war declaration was due in part to the fact that the market in recent months has been almost on a cash basis, with few speculative accounts. Speculative accounts, being vulnerable to moderate price declines, have accounted in the past for the sudden, panicky liquidation that has followed the declaration of wars. Moreover, because this time there was plenty of warning that war was imminent, investors wishing to retire from the market have had ample opportunity.

Close students of the subject, however, point out that the movements in the stock market in the early days of the war, although they were moderate, were, nevertheless, extremely large in relation to the volume of trading.

They point out that overregulation of markets and discouragement of all speculative commitments in recent years have made markets so thin that even the slightest pressure of buying or selling brings about disproportionate changes in the price level. This trend was evident during the bear market of 1937, when price declines were greater in relation to volume of trading than ever before.

Many brokers fear that, if the war subsequently increases stock market trading, dangerous price gyrations will be inevitable because of the market's inability to absorb any reasonable amount of buying or selling without wide price changes. The way in which a moderate demand for "war stocks" jumped the prices of such issues in the first few days of the war gave ample evidence of this danger. The markets in such issues were so thin that mark-ups of one or two points between sales were not uncommon.

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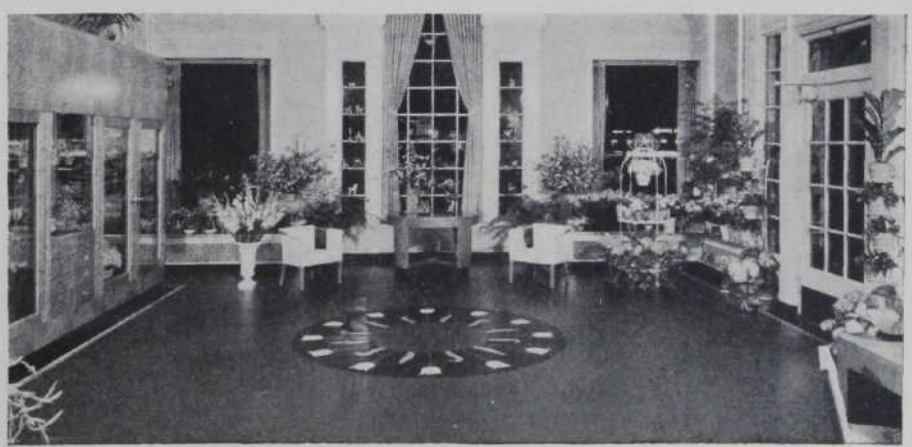
Our new book, "Better Floors for Better Business," will show you how others are boosting business with sales-inviting floors of Armstrong's Linoleum. Write for your copy today. No charge (outside U. S. A., 40¢). And see your local linoleum merchant for complete facts and figures. Armstrong Cork Company, Floor Division, 3910 Coral Street, Lancaster, Pa. (Makers of cork products since 1860)



Floor appeal sells plumbing supplies for the Ben Cook Plumbing and Heating Co., of Denver, Colo. The floor is a special design of Armstrong's Linoleum. Find out how little it costs to put an Armstrong Floor on *your* sales force.



Dietter's Market of New Haven, Conn., makes food look more inviting against a neat, sanitary background of Armstrong's Linoleum. Here's a floor that draws trade and can take heavy traffic with a minimum of daily care.



This florist says it with color. The Russell Floral Shop of Cleveland, Ohio, knows the sales value of color. That's why it invites trade and sets off its floral displays with a colorful floor of Armstrong's Linoleum.

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New Government Hurdles for Business

(Continued from page 20)

lightened by President Roosevelt's offhand announcement that he favored adequate geographical wage differentials for the South. The industry committee for textiles appointed by Administrator Andrews recommended a uniform minimum rate of 32.5 cents an hour throughout the textile industry. Now Andrews is on the spot. If he follows the President's hint, he will have to reject his committee's recommendations entirely. The law gives him no power to modify the committee's findings. He must either accept them or disapprove them and appoint a new committee to begin all over.

In the hosiery industry where there was less active support for a southern differential, Andrews has accepted the recommendations of the industry committee for a uniform 32.5 cent hourly minimum for seamless hosiery employees, and 40 cents for workers on full-fashioned hosiery. Nevertheless, southern hosiery producers are not happy about the situation. A spokesman for their trade association has declared that the 32.5 cent minimum will require laying off a considerable number of workers and will entail a serious hardship to mills producing low-cost goods.

Mr. Andrews is more optimistic. He thinks that the increased wages will advance the cost of manufacturing the cheapest grade of hosiery by only one half cent a pair.

"Most plants will not be forced to lay off any very substantial number of workers," Andrews has said.

The question remains as to how substantial is "very substantial," because the law expressly stipulates that the wage rates for each industry shall be fixed at levels which will cause no "substantial" amount of unemployment.

Setback for Secretary Perkins

In many industries, manufacturers have been finding that the Walsh-Healey Act provides for much more rigid control over labor costs than does the Wage-Hour Act. For one thing, there is no upper limit on the minimum rate that the Secretary of Labor can prescribe under the Walsh-Healey Act and she has fixed some wages exceeding 60 cents an hour. For another, the wage-fixing process is left entirely to the discretion of the Secretary and the Public Contracts Board.

Moreover, the framers of this law were so adroit that they thought that it was "appeal-proof." Because it applies only to recipients of government contracts, they thought that an employer who did not like the minimum rate fixed for his industry would have no way of appeal to the courts.

But they were mistaken. The Circuit Court of Appeals for the District of Columbia has sustained the right of seven small steel manufacturers to appeal from the Secretary's order fixing the minimum wage rate for the steel industry at 62½ cents an hour for an area extending the entire length of the Atlantic seaboard. The Walsh-Healey Act requires the Secretary to fix separate rates for each locality within an industry. The manufacturers contended, and the court agreed, that the Secretary had stretched the term "locality" altogether too far.

This means a reopening of the determination of minimum wages for the steel industry with the probability that the South will be given a rate considerably below the 62½ cent an hour figure now prescribed for northern steel mills.

Industry Proposal Accepted

In another Walsh-Healey proceeding, Secretary Perkins put herself in the strange—to her—rôle of supporting the position of a trade association against the decision of her own subordinates. This rôle she assumed in passing upon the recommendations of the Public Contracts Board for a Walsh-Healey minimum rate to apply to the special accounting supplies manufacturing industry. The Board recommended a minimum wage of 42½ cents an hour. The association advocated 40 cents. Strange as it may seem, the Secretary agreed, so 40 cents it was.

Lowering Expenses under Wagner Act

The Labor Relations Board has announced that, henceforth, the costs to employers of obtaining transcripts of Board hearings are to be the lowest that have prevailed in three years. The Board has just awarded new contracts for stenographic reporting service. Outside of Washington, the cost to employers for daily copy will be 55 cents a page, and in Washington 50 cents a page. The Board pays 14 and ten cents a page respectively. Previously the cost to employers had gone as high as 95 cents a page.

Incidentally, a recent compilation showing the average cost to employers of defending themselves against accusations of violating the Wagner Act throws considerable light on the remarkable fact that some 90 per cent of complaints filed with the Board have been settled without resort to formal proceedings. Hartley Barclay, Editor of *"Mill and Factory,"* has computed the cost for typical companies faced with Board charges. This figure runs to $20,572, not counting salaries of company officers for time spent in preparing their defense, and not counting the heavy cost of appealing to the courts. Comparatively few companies can afford such expense even to prove they were right.

Change in Labor Board Rules

Some pro-labor commentators think the Labor Relations Board "pulled a fast one" on employers in changing its rules to permit employers, under certain conditions, to apply for Board certification of the majority representatives of their employees. In the first place, the Board reserved the right to decide at its own discretion whether to act on any petition from an employer. Second, as one astute observer (Chester M. Wright) has pointed out, an employer who files a petition with the Board saves the unions the trouble and expense of establishing their status as legitimate bargaining units. According to Mr. Wright, employers who take advantage of their new privilege may be "walking into a buzz saw."

Right of Free Speech

Henry Ford and the Civil Liberties Union make strange bedfellows. Yet they united in defending the right of Ford and his officials to speak their minds about unionization. So far, they have not been successful. The Labor Relations Board ruled that Ford had violated the Wagner Act in distributing to employees literature in which labor unions were characterized as being something less than entirely altruistic.

According to the Board, the publications indicated to the employees that the Ford management "would regard any one who joined the union as a gullible, foolish person." The Board further declared that, coming at a time when the C.I.O. was trying to organize the Ford employees, the publications had the unmistakable purpose and effect of warning employees that they should not join the union. The Board concluded that, by distributing this material to employees, the Ford Company had "interfered with, restrained, and coerced its employees in the exercise of the rights guaranteed under Section 7 of the Act."

In so doing, it went on to set forth an elaborate argument to minimize the value of the First Amendment to the Constitution as protection of the right of free speech. The Board said: "Freedom of speech is a qualified, not an absolute, right" and then itself went on to qualify this right in such a way as to make it almost meaningless.

Of course, the courts will review the Board's dictum. Possibly, the courts may be realistic enough to appreciate that an employer's word is not always law with employees. The Board itself seems never to have understood that many employees will do just the opposite from what their superiors advise them to do when it comes to union affairs. As most executives know, there are plenty of rugged individualists among employees.

Encouraging Mob Violence

Evidently the Labor Relations Board thinks that employers should sit back meekly when a union pulls a strike no

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We are the world's most careless people. In 1934, for instance, the fire loss in America was $2.08 for every man, woman and child . . . as against 89 cents in Sweden, 82 cents in Great Britain, 78 cents in Italy, 61 cents in France, 11 cents in Germany, 8 cents in Austria.



EVERY year America recklessly sacrifices thousands of lives and hundreds of millions of dollars . . . to fire. The purpose of annual Fire Prevention Week (this year October 8 to 14) is to enlist everyone's co-operation against fire.

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Lives have been saved, fire losses have been reduced . . . and the average fire insurance rate steadily lowered (40% in the last 30 years).

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matter how lawless the tactics used by the participants.

At least that is the impression to be gained from reading the Board's decision in the case of Bethlehem Steel Corporation. The Board held that the company had violated the law by providing the mayor of the town where a strike occurred with money to use in augmenting the police force to curb violence and in taking other steps to enable non-union workers to stay on their jobs.

To be sure, the Board did not like the way the mayor used the money. It declared that certain statements made by him indicated that his conception of the best way to handle the strike situation was to create hostility to the strikers, encourage a back-to-work movement and defeat the union.

As a matter of fact, the union was defeated, because, despite violence and threats of violence, the strike was quickly broken. The Board concluded,

> In a situation in which impartiality by the city administration was essential to a proper preservation of the rights of the company on the one hand and the union on the other, the company was, by payment of the money, engaging in a course of conduct which necessarily affected that impartiality. Such action by the company was in contravention of Section 8 (1) of the Act.

Strangely enough, the Board has repeatedly asserted, in defending the Wagner Act and its own administration of it, that protection of employers' property and protection of non-strikers against attacks by union members were functions for the local authorities and of no proper concern to it or to the federal Government. Yet when a company invokes the aid of municipal agencies with the view to preventing bloodshed and destruction of its property, the Board says that this is grossly illegal.

Applying the Wagner Act to Banks

If one of the latest Labor Board decisions sticks, employees of 16,000 national banks will soon be approached by a C.I.O. union bent upon bringing them into its fold. The union is the Office and Professional Workers of America, a C.I.O. affiliate formed several years ago. So far, its attempts to organize bank employees have been almost totally fruitless. Now the Board has held in the case of the Bank of America that national banks are covered by the Wagner Act. The president of the union hailed the Board's decision as providing the same impetus to the organization of bank employees as the Supreme Court's decisions of April, 1937, sustaining the validity of the Wagner Act, gave to the organization of employees throughout industry and commerce. It remains to be seen how many bank clerks will join the union of their own volition and how many may be "persuaded" to join by union organizers.

Gypping the Bachelors

Companies with long established pension plans that found it necessary completely to revise them to fit them in with

the requirements of the Social Security Act, may have to undertake this task all over again. Amendments to the Social Security Act provide an entirely new set of benefit rates. The new rates will provide much higher benefits for millions of employees now covered by the plan. That is, benefits will be higher if the rates remain unchanged long enough for many folks actually to receive pensions.

Some rates were greatly decreased. The victims are bachelors and widowers. Partially to offset the higher cost of providing larger pensions for those retiring in the early years of the plan and supplementary benefits for wives and dependent children, the pensions payable to persons reaching 65 with no matrimonial entanglements have been sharply reduced. To cite a typical example, a single man working 30 years in employment covered by the Social Security Act at an average monthly wage of $100 was scheduled under the old plan to receive a monthly pension of $42.50 upon retirement.

Under the new scale he will get only $32.50. For single employees with higher earnings and longer service the reduction will amount to $15.00 a month or more.

Remember the hue and cry tnat was raised in 1936 about the insecurity of the social security program. Some employers asserted that the federal Government was making a lot of promises that it would not fulfill. They pointed out that no employee had been given contractual right to a pension of any given amount, and that benefits might be and probably would be changed from time to time. To the Social Security Board and its friends this was heresy.

Now some of these predictions are being borne out. But the Social Security experts have an answer. Speaking privately, they will say that no one should feel badly about the reduction in pensions for single employees. This reduction is not expected to remain in effect very long.

Wait, they declare, until the bachelor lobby begins to work. What they mean is simply this:

As soon as the bachelors and widowers find out they are going to get gypped, they will organize a lobby of their own. They will turn the heat on Congress to raise their benefit rates at least to the original level.

Perhaps this may mean a proportionate increase for the pensioners with wives and other dependents.

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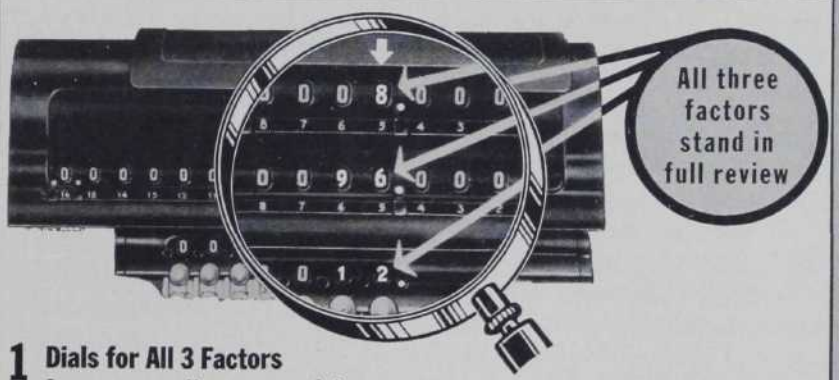


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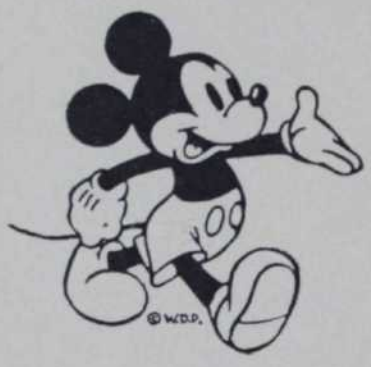
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How Mickey Mouse *joined our family*

by Westinghouse



• "*Plastic dishes* with pictures of Mickey Mouse—how in the world did Westinghouse get into that line?" asked a buyer. Well, it's an odd story, showing how the logic of production sometimes leads to surprising answers.

• *Among the many* electrical products that we make are the outlets, switches, plugs, fuses and other little connections needed in a wiring system. They are known as Bryant and Hemco wiring devices, and are made in our factory in Bridgeport. In 1928, when the amazing possibilities of plastics were startling industry, we took over a nearby plastics plant to mould these various devices.

• *The capacity* of this plant was greater than our needs, so we either had to cut it down or find new uses for plastics. About that time, scientists created new plastics in vivid, rainbow colors—marvelously suited to tableware, toys, smokers' fittings and hundreds of such things. It seemed a long jump from dynamos and motors, but we had the plant and the plastics, so we plunged into the new field.

• *Famous designers* went to work — skilled tool makers made hundreds of new dies — we hired salesmen who knew dishes and tumblers rather than switches and plugs —and almost before we knew it, had an important new business on our hands.

• *Our first big hit* was with children. They were delighted with fascinating dishes decorated with pictures of Mickey Mouse, Snow White, and other lovable people who live in story books. *We have sold millions of dishes glorifying Mickey and his gang!* And millions of gaily colored spoons, plates, tumblers and kitchenware, all identified by the well known names they bear —Hemcoware or Safetyware. That ashtray on your desk, the plastic housing of your new electric razor or the beautiful plastic cabinet of your bedside radio—they probably are all of our make.

• *Today,* this plastics plant is busy with orders from chain and department stores from all over the country... from sales organizations who use these products for premiums and novelties... and from manufacturers who are using plastic parts in their products.

• *To us* Westinghouse people, trained as we are to do years of research before launching a new electrical product, this overnight success that seems almost to have come out of the air, is startling and refreshing. Actually, of course, it did take a lot of planning and good team work—but still, it's fun to look back and see how Mickey Mouse came to join the Westinghouse family.

Farm Lands Can Be Good Investments

(Continued from page 30)

come, with a minimum of $100 for the first year and $75 for subsequent years. Farms of less than 120 acres are not usually accepted, as the net income is likely to be inadequate to justify the minimum fee, while management is just as difficult as on a larger farm.

These farms are owned by people in many different walks of life. On the list of clients are a congressman, a barber, a Belgian countess, several judges, many doctors, dentists, educators, clergymen, and business men; some outstanding bankers and lawyers; several retired farmers and a number of widows.

Keep farms in good shape

NATURALLY, many run-down farms have been turned over to Mr. Claassen for management, and in the beginning these constituted the larger part of the business. However, in the past few years it has become apparent to an increasing number of owners that the way to prevent good farms from running down is to place them under good management.

With more than 2,000,000 tenant farms in the country there is plenty of room for organizations which can demonstrate similar ability and there are several which have been outstandingly successful. Among them are the Doane Agricultural Service, St. Louis; Burlingame, Dunk, Field & Pierce Inc., New York; the Suiter Farms Company of Kansas City; Farm Management, Inc., of Irwin, Ohio; Do-Well Agricultural Service, Champaign, Ill.; Decatur Farm Management, Inc., Decatur, Ill.; and Western Managed Farms at Phoenix, Ariz.

There may be as many as 30 more, mostly in the Middle West, but, all told, their clients will probably total no more than 5,000, so the effect of this new system of supervised farming on agriculture as a whole is as yet not great.

It must be remembered, too, that Mr. Claassen's system does not aim at the industrialization of farming. To the tenants under his management, farming is still a way of living, and his aim is merely to make it a *better* way of living for them, because successful tenants make prosperous landlords.

The benefit to the tenant is fairly obvious because, on a crop-share basis, if the owner's income is increased, the tenant's is also increased. Not less valuable to the tenant is the fact that the experienced supervisor understands his problems as well as the owner's, and he sees that the tenant gets the equitable cooperation to which he is entitled.

The proof of benefit to the tenant, of course, is that each of the well known professional farm management organizations has a waiting list of tenants who would like to rent farms where, as one applicant wrote, "the other party knows what ought to be done and is interested in making money for both of us."

A Dodge County, Neb., farm provides a typical example of how owner and ten-

ant benefit together. For years its ownership had represented a dead loss. The owner first contemplated turning it over to the Farmers National Company more than a year before he actually did so, but felt he could not afford the minimum fee. Finally, after having again paid taxes out of his own pocket, he signed the application.

When the Farmers National supervisor inspected the farm on July 16, 1932, says Mr. Claassen:

We found the buildings unoccupied. The tenant operating the place lived seven miles from the farm.

We got a new tenant, a young Bohemian who had good tractor equipment, some knowledge and plenty of ambition. Following our program, this energetic young farmer steadily improved the landlord's income. Even in the drouth year, 1934, the owner received a net income of $110.47, which was several times more than he had been getting in *normal* years under his former management.

Yet the striking and significant fact is this: The young tenant has not only made money for his landlord, and a good living for himself, but he has bought in the past two years a new tractor, a new drill, a combine and a new low-priced car—*all of which are paid for in full.*

And that, it seems to me, is the keynote of Mr. Claassen's contribution to agriculture. His system constructively solves the landlord's problem, not by tearing something else down, but by building up a productive enterprise that makes two satisfactory incomes where not even one was obtainable before.

Federal Relief Will Be Stopped

(Continued from page 27)

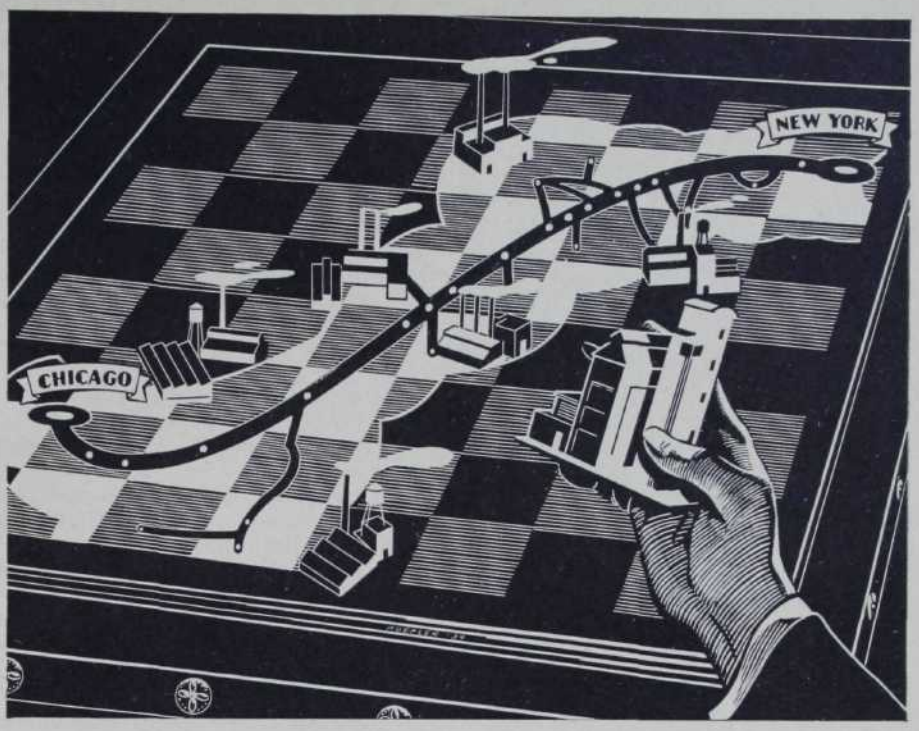
that persons in *poor houses,* prisons, or insane hospitals shall not vote.

It should be rational for courts to rule that there is no material difference between a pauper housed in a room rented with public funds and one housed in an institution, if some taxpayer just raised the question. If that fails, state legislatures, not the federal Government, define who shall vote. The power to eliminate paupers always has been recognized!

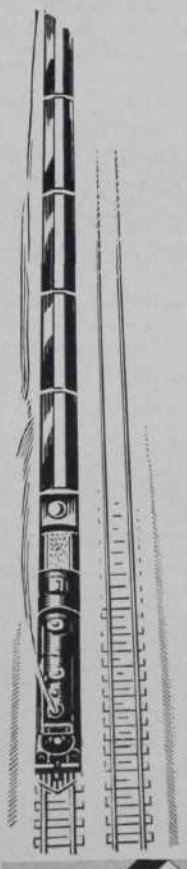
The relief vote is dangerous only when it is allowed to vote. Once amputated it is harmless to retaliate. Once the political power of relief is eliminated it will dry up and disappear. Men and women trained to the job of handling charity, who, managing private agencies had almost eliminated real bums in America when new disaster arrived, can throw off the yoke of political restriction, care for the poor adequately, and stop pauperizing of others.

Those elected to public office will be able to return to work. Business and labor undoubtedly will, too. Government relief will be stopped before Americans are prosperous and happy again.

And, whether we like it or not, it means a trip to the hospital either to be treated calmly, or in the hurly-burly of emergency action.



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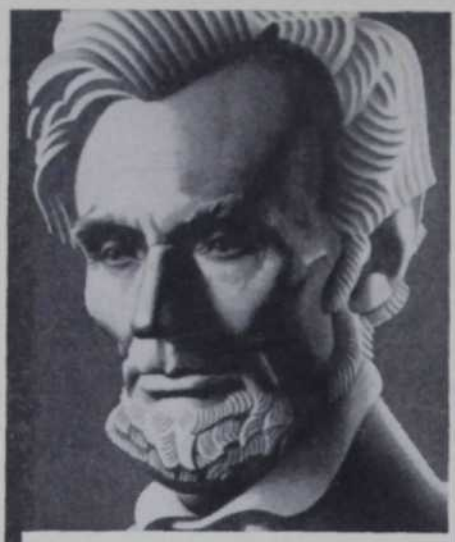
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Running a Business with the Aid of Prayer

(Continued from page 21)

the office force who knows the customers and knows the yards, and have him act as liaison officer, to handle some of the paper work and do some of the leg work in assembling orders, I think we'd more than earn his keep in time and mischief saved."

He named a young man who seemed to fit.

Joe agreed this was an idea. So the President phoned for the lad to come in. Briefly but honestly he explained what their problem had been, how they had found an answer, and what they wanted him to do. The four talked things over. Then the three employees marched out of the office, shoulder to shoulder, better friends than they had ever been.

"And," says George Eastman of Los Angeles, the president of the firm where this happened, "we're making real money in that department now."

Running a business by the aid of prayer is a revolutionary thing to do, as many simple changes are revolutionary. It takes a big man to be willing to admit he doesn't know the answer. Many executives pound on the desk and bellow; few company presidents would care to humble themselves in prayer.

George Eastman, who runs the Security Materials Company, a building supply business with about 125 employees, didn't set out to use prayer for a money-making factor in his life. But religion with him has become such a reasonable and such a vital force that he takes it with him into every problem and every situation.

Turn the calendar back two years. It is April 4, 1937. A memorandum is handed each truck driver and lumber stacker, warehouseman and salesman in George Eastman's employ. The memo reads:

Beginning Monday morning any employee who cares to will meet in my office at 7:45 simply to ask God's direction for the day. I believe it will make for better understanding and I've come to believe it's the only real way to start the day.

The memo was signed in George Eastman's firm hand. But for the rest of the day and through the next morning's breakfast he was all knees. He wished he had had sense enough to do the conventional thing and keep his religion to himself. He regretted his courage, which seemed somehow to have evaporated, leaving him alone and on the spot.

Explaining his new policy

WHEN, on the morning of April 5—he remembers the date well—he faced a half dozen employees in his office, he was tempted to turn the occasion into a sales meeting. But he stuck to his guns. Briefly he told how he had gone through a crisis in his own life. Starting with the 1929 debacle and continuing for several years after, the world he was familiar with had collapsed. Amazing and distressing things had happened. Men he had looked up to—men he had admired—men he felt had manhood and courage and dignity turned out, in a period of loss and danger, to be not even men. Where was their leadership now? Gone without a trace.

He told simply of his own search for bedrock to stand on. What use of building up a business if some power beyond men's reach could turn your stocks and bonds into worthless pieces of paper?

A go-to-work religion

HE TOLD how he had sought for a purpose in life. He and his wife and their two children, a son and a daughter, had been nominally religious, but now they wanted a religion that would stiffen a man's spine. A once-a-week religion would not do. It had to be a religion you could take with you and use. It had to be a go-to-work religion that would make a man try to be honest, and pure in thought, and unselfish, and to love his neighbor. If you worked hard to weed jealousy and hatred out of your life, you didn't have time to criticize your neighbor. Nor need to: because calling forth the best in you seemed to call for the best in him!

The little meeting ended with a brief prayer. And the men, after a handshake with the boss, went out to work.

The next day there were more. And the day after, still others. Every morning since, whether George Eastman is in town or not, about 15 or more employees crowd into the head office for 15 minutes at the start of the day. Because the drivers and yard men start to work at seven, it isn't possible for them to get in, except when it rains, so on Fridays they meet out in the yards where there is room for everybody.

"Everybody" sometimes includes some salesman who calls on the firm; some competitors' truck-drivers; a few customers or any one who wants to come. The outdoor meetings bring out about 65 men every Friday, because some of the men are out on deliveries.

A while ago one of the drivers was having trouble. A new baby had come, and the young mother wasn't doing well. For days there was danger of death. Finally one morning the young father dashed into George Eastman's office.

"She's out of danger, Mr. Eastman," he said heartily. And then, closing the door and stepping closer to the desk, he said, "You don't know what it meant to Anne and me to know that you boys were praying for us over here in the yard. A year ago I wouldn't have known how to pray. You've helped me a lot." He lifted his face and looked the President in the eye. "When she and the baby are strong enough—we talked it over last night—we'd like to come up to your house some evening and have you tell us more about religion."

George Eastman told him by all means to come!

"We had a truck driver who was pretty tough and proud of it," Mr. Eastman

recalls. "He was an individualist. We noticed that difficulties sometimes arose in the yard and with customers. So I called him in and told him I had tried to be fair with the fellows by telling them how I was determined to run the business. I asked him just to think it over for himself and see if he thought it worth while. I said I hoped he would feel that he wanted to be a constructive force. He went out and I've never heard anything but praise for his work since.

"About 30 days later, the secretary of the company was lunching with a few competitors when the manager of a competing company asked him how this idea of bringing religion into our business was working out. He replied, 'It is the greatest thing that ever came into any business—why do you ask?'

"The manager replied, 'You have a truck driver working for you who used to work for us, and he was plenty tough. The other day he got off his truck and looked me up to tell me that what my company needed was religion and that I ought to come out and see what was happening in his company.' "

I am writing this for hard-headed, practical-minded business leaders. Probably some of them, if they have read this far, will snort: "That Sunday School sort of thing might have done very well back in war-times. It might even do all right now in Los Angeles. But not in my town. We have labor troubles!"

So does Los Angeles. But George Eastman's firm seems to escape trouble.

Other incidents have happened. Once, in a period of stress the various unions were picketing some firms in the building supply business. Some one mentioned the Eastman concern. Instantly several men jumped up.

"You don't need to picket that company," they said. And, "That firm's O.K. Lay off them." And, "If you picket Eastman's, count me out."

No doubt many a man would like to be gentlemanly and unselfish in business, but his competitors won't let him.

Eastman hasn't found that religion has weakened his chance for business. In fact, it has brought him new respect.

"I hear you're going down East," a competitor phoned last winter.

Eastman replied that he was.

"Let's have lunch when you get back, will you? I think you and I can work out some things that will help our industry," the competitor volunteered.

The unsolved problem of the age is how to get along with people.

It's a world-wide problem.

Some business men have thought the answer impossible, and have thrown up their hands. Some have hired public relations experts.

George Eastman hires no public relations counsel. He has no program. He has no message, no book to sell, no sure cure. What he advocates must spring from the heart.

"After all," he says, "we've tried everything else. Maybe a little straightforward religion will help all of us."

Whether it's everybody's answer or not, Eastman feels it's the answer for his family and him. And his employees seem to feel it's their answer, too.

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The "Ism" America Wants

(Continued from page 24)

on both sides. Son Jimmie wants his toasted a dark brown on both sides without butter.

Of course if a Dictator, worshipping at the shrine of efficiency, ordered us to toast all the bread alike, we could get by, but no one would be happy about it and I am thinking about the ultimate goal of the individual—happiness.

Because each person's wants are different, a regimented people is never a happy people and eventually such governments go down before that basic law of happiness—that each individual have the right to pursue the satisfying of his own wants in his own way.

Thus far the people under Americanism have been free to try to satisfy their wants in their own way and that is the very essence of freedom. And because it has been so commonplace we haven't stopped to weigh just what we would lose if we lost it.

Well, when you lose the liberty to pursue the satisfying of your wants you lose both happiness and any chance for prosperity in its true sense.

Since wants play such a tremendous part in the affairs of men, should we not attach great values to them? Our greatest assets are not our natural resources, not our manufacturing facilities. Our greatest assets are the developed wants of our people. Without these wants all of these other things would be allowed to crumble back to dust.

Our wants help each other

IF THE people of this country were privileged to satisfy only their needs we would be in a depression forever.

Depressions occur when we quit satisfying our wants—either through inability or fear—mostly fear. Maybe we have always wanted two overcoats—one heavy and the other light. There is a threat to our profits or income and we buy the needed heavy coat or maybe use last winter's coat and some tailor feels the loss of work. And thus on and on prosperity spirals downward because people are not satisfying their wants.

It is the sum total of wants that makes markets, that builds civilizations, that makes a nation great.

In the dead civilizations of the past the first things that began to die out were the developed wants of people. In time they were ground down to bare needs and that civilization was gone.

In the light of these simple truths is it not common sense to exalt and maintain at any cost an "ism" that recognizes these fundamentals and stands for their encouragement, enlargement and fulfillment? And that "ism" is Americanism through which we have the freedom to pursue the satisfying of our wants.

Under any other kind of "ism," wants are discarded. And if a want stays too long in the discard—goes too long unsatisfied—it becomes lost forever and is no longer an asset either to the individual or the nation. Excessive taxation is one way to cause wants to go this way. Too great a proportion of the income has to go for needs—and after taxes are paid nothing is left to satisfy wants.

Or by decrees people are forbidden to satisfy this want and that want until they are stripped of all of them, and with them has gone that happiness that makes all living worth while.

Any "ism" that is making its plea to you should be examined in the light of these things and you will find that the first thing asked of you is to surrender the satisfying of some or all of your wants. Americanism asks no such surrender—not even in the interests of the state because the state is well served when the individual is well served.

A list of your own wants might look something like this:

The want to say who shall govern you;
The want to vote for whom you please without intimidation;
The want to marry into any race you please;
The want to live where you please;
The want to learn the truth in your news;
The want to express yourself freely;
The want to own property and transfer it as you wish;
The want to avoid burdensome taxes;
The want to own an automobile;
The want to eat cream with strawberries;
The want to have your bread toasted as you want it—and so on almost endlessly.

After you have finished your list ask yourself: Which one of these wants am I willing to give up all hope of ever satisfying? Then remember that under Americanism you are even encouraged to satisfy them and under any other "ism" all possibility of satisfaction is shut off.

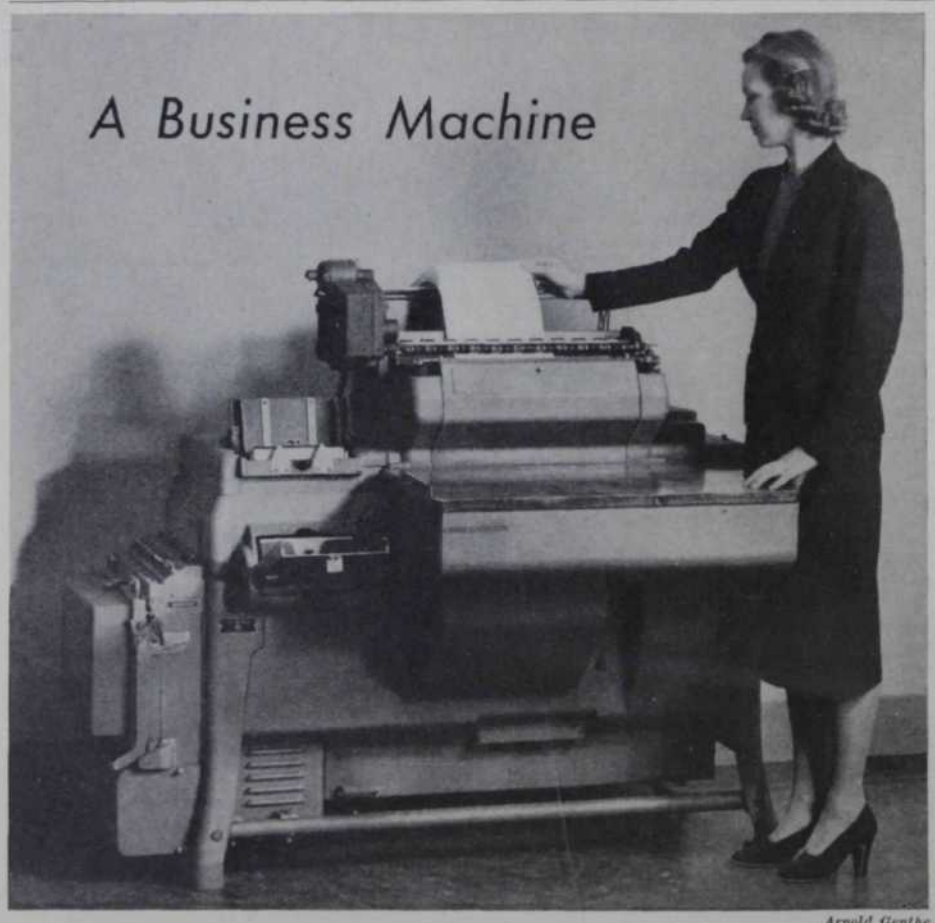
Of course under Americanism I may never have many of my wants satisfied, but as long as I can hope they can be, I shall be happy in the pursuit.

Of course it is possible to go through life merely satisfying bare needs. You can exist with your want for music, automobiles, yachts, beautiful homes and so on unsatisfied. You can even get by without knowing how to read—but what ecstasies and thrills of happiness are denied you!

Another important and fundamental truth in connection with our wants is that any individual who has the freedom to satisfy his own wants in his own way will bring to his daily task more energy, enthusiasm, ingenuity, resourcefulness, thinking, planning, than can be cajoled, persuaded or forced out of him in any other way.

That significant fundamental has been overlooked or ignored in the past few years by our government experimenters.

Certainly there are those who possess unworthy wants. Our forefathers had in



Arnold Genthe

INTERNATIONAL BUSINESS MACHINES CORPORATION
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mind worthy wants when they set up Americanism. And, in order that more people acquire more worthy wants and fewer unworthy wants, they gave us our system of secular and religious education.

In order that unworthy wants have little opportunity for being satisfied they gave us our system of government.

When we have had the faith and courage to follow Americanism—to believe that people as a whole are just as much concerned about the welfare of one another as some governmental official—then our prosperity has been built on a broad solid foundation and the individual has enjoyed the greatest possible advancement and development. When we have been lured to one side by any of these other "isms" we have experienced disaster.

You Can't Have Pie at Cracker Prices

(Continued from page 42)

swimming pools, boat harbors, golf links, municipal beaches, and many others.

It is perfectly apparent that all of these things have to be paid for by some one. Until now, that some one has continued to be the real estate owner. There is as yet no material source of revenue in our state, other than a tax on real estate.

This burden is already heavier than many of our taxpayers can carry. Every reader, I suspect, knows of the tax foreclosure problem which is besetting city officials everywhere. Either we cut out the further extension of non-essential services and make those we retain more nearly self-supporting, or we must look for some new source of revenue.

I do not hesitate to say that, with a sane realization of the financial and social problems which confront us, we can and must balance the demands for municipal services against available resources. It is possible to do so within the present framework of local government. Of course, we must be careful that we do not so overburden this framework that it will eventually collapse.

There never was a time when the integrity and independence of local units of government was as important as it is now. Government, like charity, begins at home. And bear in mind that no division of government is closer to the people than local administrations. No matter how generous the federal Government, no matter how progressive state government, the fact remains that the essentials of democracy depend on the kind of government the people get at home. The citizens of our communities rub elbows daily with their local officials—and not with the state and federal officers.

It becomes readily apparent, therefore, that, if the system of government under which we have lived and prospered is to endure, public officials must make renewed efforts to give to every citizen a lasting faith in an orderly system of local government, based on honesty, efficiency and economy.

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The First Five Minutes

(Continued from page 18)

with individual characteristics and functions, are in common use.

The two most familiar types are the quart-size, pump gun extinguisher and the larger, 2½ gallon soda-acid type so common in commercial and public buildings.

The former contains the chemical, carbon tetrachloride, a liquid which vaporizes in contact with the heat, producing a gas which blankets the flames and is effective on oil or grease fires, fires in electrical machinery (because the stream is a non-conductor); it rates "Best Available" for automobiles, and will serve for the so-called Class A fire—wood, textiles, rubbish, etc.—although it is not recommended for that type of outbreak, chiefly because of its small capacity.

Furthermore, in small rooms, unventilated cellars, etc., it must be used with extreme caution because of the toxic fumes liberated by the heat. If you ever have to use a carbon tet gun in confined quarters, either ventilate the place as soon as feasible or get out as quickly as you can.

Water under pressure

IN THE common soda-acid type the extinguishing agent is *water* with some bicarbonate of soda in it. Obviously, it was an error for the garage man to use this type on a gasoline blaze since everybody knows that water is not indicated there, but he made the natural mistake of assuming that it was a "chemical extinguisher."

It is. But the main function of the chemicals in this type is to *generate the power to discharge the water*. When you invert this extinguisher as directed, you mix a bottle of sulphuric acid with a portion of bicarb and the resulting fizz gives you a 30 to 40 foot stream with no pumping on your part. With that much pressure going to work immediately, you see how wrong it was for the other fellow to invert his extinguisher 200 feet from the blaze! And if you've ever seen one of these extinguishers blow up when lack of periodic inspection had permitted corrosion or dirt to block the nozzle, you'd see to it that any under your jurisdiction are kept in good condition.

Obviously, the stream from this extinguisher is an electrical conductor, so it shouldn't be used on fires in electrical machinery. Skilled men can handle them on low voltages if necessary, but this is not recommended for amateurs.

The same might be said for another, newer, type of extinguisher now widely used and looking exactly like the soda-acid container. This is the foam extinguisher which comes in the same 2½ gallon size and shape as the soda-acid and must also be inverted to create the discharging pressure. This also contains water with which is mixed bicarbonate of soda, aluminum sulphate and a patented foaming agent which produces a blanket of tough, sticky bubbles filled with carbon dioxide. Because of the chemical action, the extent of this blanket will be about eight times the capacity of the container: in other words 2½ gallons of latent stuff will give about 23 gallons when mixed by inverting.

Rated by the Underwriters as "Best Available" for Class A and B outbreaks—wood, textiles, rubbish, oils, grease, etc.—foam has long been a universal stand-by at oil refineries where it is often installed in fixed "stand pipe" systems around tanks. All fire departments use it widely, not only in extinguishers but also in hose lines connected to a hopper on the truck wherein the chemicals are mixed with water from the hydrant.

Personally, I like the foam extinguisher for the lay fire fighter for one reason not usually mentioned in official ratings. That is its amazing quality of knocking down the wave of heat which the fire throws at you—a precious advantage to an excited civilian who's bucking his first fire within four walls. Remember, the fire at which you comfortably roast potatoes on a picnic will curl your eyebrows when it's confined within one room!

Carbon dioxide extinguishers

ANOTHER form of extinguisher that is being seen more and more in public buildings is the carbon dioxide type, easily distinguishable by its long, cone-shaped playpipe or nozzle, and the red painted finish of the container as contrasted to the brass or chromium invariably used for portable soda-acid or foam types.

Familiarly known as "snow" or CO_2, carbon dioxide is stored in liquid form under considerable pressure—about 850 pounds per square inch—producing an inert gas when released. Usually several motions are required to operate them, but in any case the discharge is begun by turning a small wheel or valve whereupon a white cloud pours from the funnel with a surprising roar which is liable to startle the uninitiated but which is quite normal. When this cloud strikes an object it usually solidifies into a temporary, white "icing," hence one of its common nicknames.

"Snow" doesn't freeze out a fire, however; its gas blankets the fire and cuts off the oxygen. And, while it performs like magic, especially in confined areas or in such difficult jobs as a flowing oil fire, a gas leak or a blaze in tricky stuff like ether, acetone or alcohol (which dissipate foam), it is not to be recommended too highly for untrained hands. One reason is the small capacity per weight of container; another, the short range of the stream, both of which make it easy for an excited individual to waste it. Except for large users, recharging is also a problem outside of large cities.

A carbon dioxide extinguisher of 15 pounds' capacity, for example, will weigh 50 pounds, has to be brought up to

within six feet of the blaze and will last for 42 seconds. The comparable 2½ gallon foam type, in comparison, weighs around 38 pounds, can be operated 35 feet from the blaze and will last for 65 seconds. Although each is supreme in its field, this bespeaks more skill in handling the former.

Be that as it may, I have a little two-pound CO_2 in our kitchen as special medicine for the common grease fire. And the telephone companies, radio stations, power houses, etc., wouldn't be without them for two reasons:

First, they are rated "Best Available" for electrical outbreaks.

Second, the gas causes no damage to the most sensitive electrical equipment—or any other material, for that matter. They are popular in fur storage places for this same reason.

The fifth extinguisher approved by the Underwriters is the dry chemical or powder type which employs specially treated sodium bicarbonate as the agent. Closely resembling the 2½ gallon soda-acid or foam types (except for a shut-off valve on the flared nozzle), this is a rather specialized extinguisher which the average layman is not likely to encounter. What it may do here, however, is emphasize the fact that baking soda or bicarbonate is an excellent extinguishing agent: a fact that you might well remember in case you have a grease fire in your family oven some day!

As for the proper use of an extinguisher, a few simple rules will suffice. Generally, the three gas-producing types—carbon tet, CO_2, and dry powder—should be aimed at the *base of the flame*. The standard exception is the oil fire in a vat or other container. In this case, the stream of carbon tetrachloride or carbon dioxide is aimed against the inside wall of the container just above the burning surface, thus allowing the gas to flow back toward you across the fire.

The same applies with foam in such fires, and the usual technique with all three is to walk around the fire to get an even spread. If this isn't possible with foam, then stand back farther, tilt the nozzle more, and let the foam fall as lightly as possible into the blaze. In no case should you shoot any kind of stream right into it, thus scattering the fire.

With dry powder in an oil fire, on the other hand, the best procedure is to dust the powder across the burning surface with a lateral motion, beginning at the front or near side and working back.

Another distinction between extinguishers is the matter of operating distance. Carbon dioxide has to be used close up—from three to seven feet, and dry powder at about ten feet. Soda-acid can be used at a distance of 50 feet if necessary, but the closer you can get, the better. Carbon tet is also more effective at short range, but foam works better at a reasonable distance (up to 40 feet) which minimizes the splash.

The thing to remember in employing any water-type extinguisher—soda-acid; loaded stream (which is soda-acid with anti-freeze added); or hose lines—on the typical Class A fire is that you want the water to seep *into the burning material* instead of bouncing off it. The stronger the stream or the closer you are, the greater the splash and waste.

So if you're working on a pile of burning rubbish, for instance, see to it that your water is going into the material and not just sprinkling the nearby walls.

As for recommending the "best" extinguisher for home use, that's as involved as recommending the "best" camera, and I'm not going to lead with my chin. But I will tell you what I use.

In the kitchen I have a small CO_2 and in the upper hall a 2½ gallon foam type, located there on the theory that it will

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be on my path downstairs at night when I'll need it most. In my car I carry a quart-size carbon tet (which has put out four fires so far for dopes who didn't carry any!), and up in the country—where we won't be involved with any gasoline or electrical outbreaks—I have a forest ranger's back pump which uses pure water. For an isolated location like that, where the roof fire and the grass fire is a constant menace, I swear by this back pump for many reasons. First, it has a capacity of five gallons and will operate continuously for about seven minutes; it is carried on the back and is therefore convenient.

The one thing it isn't so hot for is the common chimney fire, but for that I have the carbon tet gun in the car which needs only to be stuck in the fireplace or the stove and pumped so the gas will flow up the chimney and smother the flames. Remember, however, that the carbon tet liquid must strike flame or heated surfaces in order to convert it into the effective gas. Incidentally, for a fire under the hood of an automobile, the best practice is to *keep the hood closed* and pump the carbon tet through the louvers at the side. This conserves the gas against any wind and enables a little to do a lot.

One type of extinguisher I would like to have in the city is a fairly new, carbon tetrachloride device which operates automatically. The ideal spot for this is in the cellar where most fires start and, incidentally, where most fire fighters are knocked out by the fumes. This gadget is equipped with a sprinkler type head on a fusible link which releases the contents in an umbrella-shaped shower when a dangerous temperature is reached. It can also actuate an alarm to notify you that trouble is afoot. And since the chemical has been rendered non-toxic by the addition of ammonia hydroxide, you needn't worry about going down to investigate.

MORE THAN 40 PER CENT of the businesses wiped out by fire do not rebuild. Those that do are sometimes reestablished in some distant place which is disastrous for employees and a loss to the city which loses the industry. Frequently the reason why factories and businesses burn is because the management is at fault in permitting dangerous conditions to exist.

During Fire Prevention Week, which will be observed this year October 8 to 14 inclusive, special effort may well be made to uncover the fire hazards incident to the business and to see that the plant is adequately equipped with private fire protection. No employee wants to lose his job and no employer his business but that is exactly what may occur if there is a fire. It is definitely to the advantage of both to prevent fires and it should therefore be a simple matter to secure cooperation in the enforcement of safety rules, the removal of fire hazards and, where necessary, the organization of private fire brigades. Fire prevention has proven over and over again to be a sound investment for business men.

MEMO . . . for Busy Readers

1 • Technicians seem to speak in code 2 • Federal workers will pay taxes 3 • Motorists are big taxpayers

Old Words With New Meanings

LINGO of technicians adds new words to the language, gives new meaning to old ones. Talk of two "test men" at one of General Electric's Schenectady shops stirred visitors to ask whether war scares had led company to use of code. Sample: "Put a tac on that BTA and, after you've hooked up the pots and c-t's and plugged power, see if she still swings and hunts."

Translated for the visitors, the jargon meant: "Attach a tachometer to that variable-speed alternating-current motor and after you have connected the potential and current transformers and then made the proper electrical connections at the switchboard, start the machine and find out if the speed still oscillates about the point of synchronism." And even this everyday English translation, of course, doesn't convey much to the layman.

Test-man lingo includes other equally mystifying terms as "heat run, freakmeter, water box, magger, hipot, hot spot, and pumpback," to name a few.

Many of the words are almost as old as the electrical industry. Their use, supposedly, has been evolutionary and some of them probably required considerable "hunting" and "swinging" about to determine whether they were sufficiently confusing to the layman to be adopted.

States to Tax Government Workers

TWENTY-EIGHT of the 32 states with laws taxing personal incomes will collect taxes on salaries of several hundred thousand federal employees under the new public salary tax act effective this year.

Seventeen states amended their statutes this year either before or after Congress acted to remove reciprocal

immunity of public salaries from income taxation.

These states were Alabama, Arkansas, California, Colorado, Delaware, Iowa, Kansas, Minnesota, Montana, New Mexico, New York, North Carolina, Oklahoma, South Carolina, Vermont, West Virginia and Wisconsin.

Nine states had laws automatically providing for taxation of federal employee incomes whenever federal exemption was removed.

These states were Georgia, Idaho, Indiana, Maryland, Massachusetts, Mississippi, Missouri, Oregon and South Dakota. Wisconsin, which also had such a law, amended it to define the removal of immunity.

Laws of two other states—Arizona and Kentucky—made no mention of the immunity of federal salaries from income taxation. Neither state attempted to tax federal employees because of federal constitutional limitations.

Louisiana, Virginia, North Dakota and Utah are the only states with income levies which specifically exempt salaries of federal employees living within their boundaries. The first two states held no legislative session this year and the last two adjourned before the proposal was passed by Congress.

Although Congress did not act on the President's recommendation to remove tax immunity of interest on government obligations, the Federation of Tax Administrators reports that six states revised their laws in 1939 sessions to make such taxation possible on their part immediately if immunity is removed. Twelve other states, the Federation said, will be able to tax income from such interest without further legislative action.

In 18 states the statutes still provide specific tax exemption from interest on federal obligations.

No Motoring Without Taxes

MOTORISTS of the United States are the taxpayers that "nobody knows" argues the American Petroleum Industries Committee, New York City. Case is made in a booklet of cartoons and charts titled "Most Motorists Earn Less Than $30 a Week, But They Are Taxed Like Millionaires."

Representative assertions made in the booklet follow:

One-third of the car-owners of the United States have weekly incomes of $20 or less.

Thirty-eight per cent of all state tax revenue is paid by the motorists.

Annual gasoline taxes amount to $1,000,000,000.

While gasoline prices have been cut in half since 1920, taxes have jumped up 2,400 per cent.

The average value of all cars on the highways is only $200.

Thirty-six barrels of oil per family annually are needed to maintain present standards of living.

The petroleum industry creates $4,000,000,000 of economic wealth annually.

The tax collector takes a week's wages from the average motorist annually.

Automobiles create 6,000,000 jobs.

"Cuckoo" taxation policies needlessly cost motorists $175,000,000 annually.

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Show This Patriotic Film FREE of Charge

Enthusiastic and encouraged audiences have stood and cheered after witnessing the new sound-motion picture, "REFLECTING OUR CONFIDENCE IN THE FUTURE OF AMERICA." Anheuser-Busch are proud of this film, because it makes a definite contribution to the well-being of our America—and is recognized as such.

This picture is a dramatic American Movement to sell America to Americans—and the more Americans that see it the better. Nobody can see and hear this presentation without having his confidence and courage bolstered. Use it. You are welcome to it.

There is no charge or rental of any kind for the use of this film. Fill in and mail the coupon today—right now—and complete details about how to obtain it will be sent to you promptly.

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Without obligation to me, please send full information about how I can arrange a free-of-charge showing of your sound-motion picture.

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DIVIDEND NOTICE

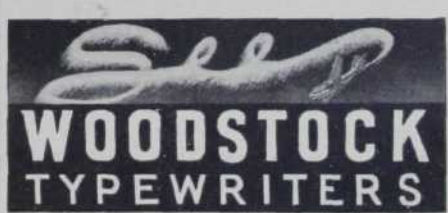
Common Stock Dividend No. 95

A cash dividend declared by the Board of Directors on September 13, 1939, for the quarter ending September 30, 1939, equal to 2% of its par value, will be paid upon the Common Capital Stock of this Company by check on October 16, 1939, to shareholders of record at the close of business on September 30, 1939. The Transfer Books will not be closed.

D. H. FOOTE, *Secretary-Treasurer.*

San Francisco, California.





Bridal Suite to Hong Kong

(Attaché Kitteridge Brings His Bride Out From America)



1. Darling! If your *first* Pacific crossing is thrilling...you'll enjoy it even more when you're an *Empress* "commuter"!



2. See, Vera...here's living in the grand manner! Gaiety...comfort...and service, twenty-four hours a day...that's *Empress!*



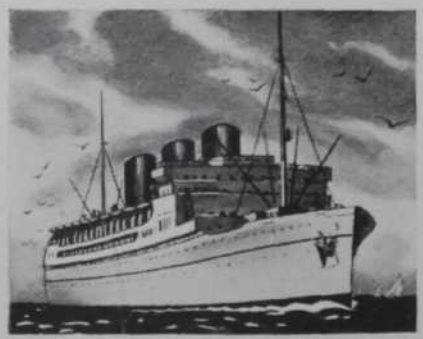
3. How's this? Imagine taking in Hawaii on our honeymoon, too! We've a whole day here for swimming and sightseeing!

"Go Empress" is a living legend of the mighty Pacific. Canadian Pacific's luxurious service is renowned from East to West! Frequent sailings to all the Orient from Vancouver and Victoria in Canada's Evergreen Playground. Or connect at Honolulu from California. See *your agent* or any Canadian Pacific office in the United States and Canada.

Canadian Pacific

Since 1886...SERVICE on the Pacific

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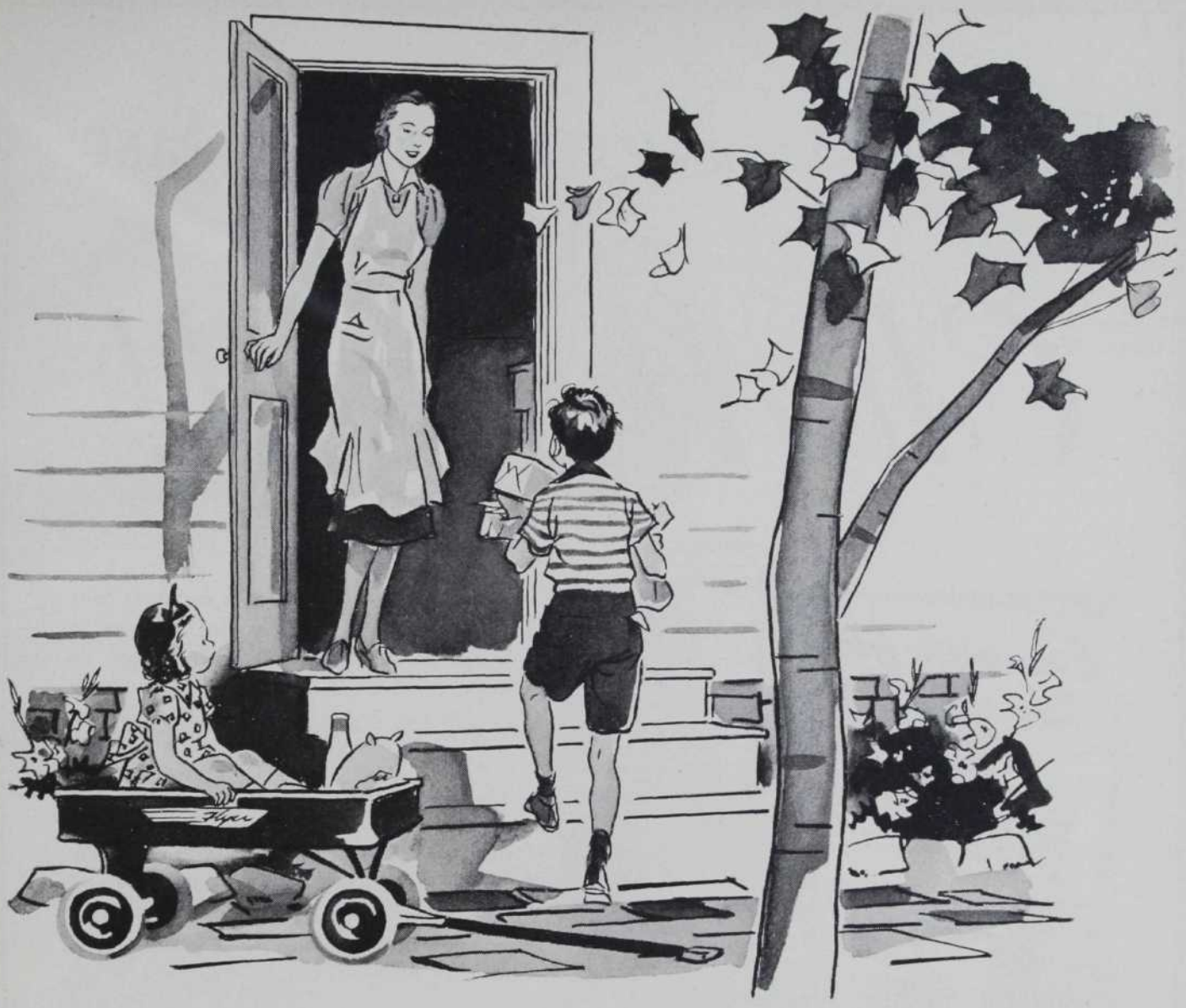


4. *Empress of Japan*...largest, fastest on the Pacific. Round trip to Hong Kong, $744 up First Class; $446 up Tourist Class.

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FOOD FOR THE TABLE — A ROOF OVER THEIR HEADS

Food and shelter for his wife and children — today, tomorrow, next week, next month — that is the first concern of the American wage-earner. It will pay you to help your employees stabilize their income — free themselves from worry about what would happen if their pay stops because of sickness or injury.

John Hancock group insurance will protect your workers' families against loss of income through the wage-earner's death, disability, or non-occupational injury.

Write for full information about John Hancock group insurance plans and learn how other companies have benefited by stabilizing their employees' income. Address: Department J-10.

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LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY
GUY W. COX, President

So good....growing so fast and now *Challenged!*



NO GREATER COMPLIMENT could be paid Royal Crown than the fact that a competitor has just challenged the right of Royal Crown to use the word cola. The courts will decide the legal issues on their merits.

☆ ☆ ☆

There are more than 200 cola drinks. But there's only *one* Royal Crown. And Royal Crown is going to town. There are just two reasons: People prefer Royal Crown's flavor (in 9 out of 10 attested taste-tests in city after city, Royal Crown has won hands down). And, people prefer two brimming glasses for one nickel.

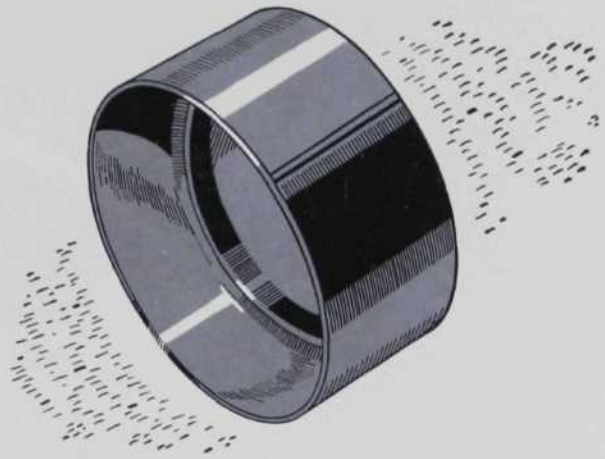
No matter what Americans buy, they expect more than *one* choice. And they feel entitled, whenever possible, to get twice as much for their money.

For your own sake, you should try Royal Crown . . . so good . . . growing so fast . . . and giving you so much for your money.

Compare...

and let your taste decide

Royal Crown is a product of the Nehi Corporation, Columbus, Georgia, with more than 500 licensed bottlers throughout the United States. Other products include "Nehi" and "Par-T-Pak" beverages.



SIX-CYLINDER CARS HAVE EIGHT-CYLINDER WHEELS

Six sizable pistons make the car go.

Eight small ones, like the picture, stop it. Two on each wheel, they work the brakes at the touch of your foot.

The pistons in the engine are Aluminum, on most cars, because they *increase* operating performance and economy.

Brake pistons are Alcoa Aluminum, too, because they *decrease* first cost, per piston, cash money.

Aluminum resists the corrosion of the brake fluid, but so do other metals.

The alloys of Alcoa Aluminum are strong, but so are other metals.

Point is that using alloys of Alcoa Aluminum is often *the* low-cost way to get precise parts that have guts. These finished brake pistons go into your car cheaper in Alcoa Aluminum than in any other metal which would work just as well.

If this be treason to your cherished ideas about the cost of Aluminum, make the most of it.

Some of these brake pistons are Die Cast. Others are made by a very interesting and fertile Pressing technique. Both processes have a record of doing things to first costs which literally have a lot of production men by the ears.

A hint that you would like to look-see would entail no obligation. Aluminum Company of America, 2125 Gulf Building, Pittsburgh, Pennsylvania.

Reg. U.S. Pat. Off.

ALCOA

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Easy on Your Throat – Because "IT'S TOASTED"

"The U.S. Government has helped farmers raise finer tobacco—and the better grades go to Luckies!" says Earl Forbes, auctioneer. He's been "in tobacco" 22 years; has smoked Luckies for 13 years.

Have you tried a Lucky lately? Luckies are better than ever because the U.S. Government, the States and Universities have experimented with soil, seed, and plant foods. They have developed new methods that have helped farmers grow finer, lighter tobacco in the past several years.

As independent tobacco experts like Earl Forbes point out, Luckies have always bought the Cream of the Crop. Aged from 2 to 4 years, these tobaccos, better than ever, are in Luckies today. So Luckies are better than ever!

Try Luckies for a week. Then you'll know why sworn records show that among independent tobacco experts—auctioneers, buyers and warehousemen—Luckies have twice as many exclusive smokers as have all other cigarettes combined! **WITH MEN WHO KNOW TOBACCO BEST—IT'S LUCKIES 2 TO 1**

Have you tried a Lucky lately?

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